THE FINANCIAL POST

The Canadian Newspaper for Investors

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WESTERN RAINS LATE TO SAVE SOME OF CROP

The Feed Situation Has Greatly Benefited in Alberta

THE LATE GRAINS ALSO

Barley and Oats Have Better Outlook—Hail Does Considerable Damage—Short Wheat Heading Out

By E. CORA HIND,
Commercial Editor Manitoba Free Press

CALGARY.—The weather over the entire west has been broken by more or less heavy storms during the past five days, and while moisture has been most acceptable and will do an immense amount of good, there has been quite a considerable loss from the hail, the extent of which has not yet been made available.

Calgary is full of farmers this week, for the annual Summer fair, and it has been possible to get much first hand information as to crop conditions, and there is no doubt that over very large areas they have been, and still are, very serious.

The late rains, which, by the way, were accompanied by snow in the Calgary district, will very materially help the feed situation, which was getting alarming; not only pasture, but more especially with regard to hay and grain feed for next Fall and Winter. There is little time for sixty day barley to mature and even oats would attain a height that would make them valuable for hay.

The Timothy hay crop, usually a large one in Alberta, is practically a total failure except on irrigated land, there having been hardly any rain in May, which is essential to a timothy crop. A considerable percentage of the wheat is still in a condition to be helped by the moisture and some fields which last week seemed fated to be a total failure will be a half crop.

There is no denying, however, that very large areas are gone past redemption, having headed out when about eight inches high, then the heads were burned by the scorching sun. Indeed a considerable amount has been ploughed up, not in the south only but in the north also.

Conditions Not Uniform

One of the difficulties in arriving at anything like an accurate idea of conditions is that here and there all over the province there are strips of country of some extent that have received timely local rains and have a very fair crop.

A man reporting from such a district naturally speaks of things as they exist within 20 mile radius. One of these strings lies along the Blackfoot reserve, and includes some 8,000 acres of wheat seeded in the greater production campaign of W. C. Graham, Canadian commissioner, in connection with the various Indian reserves of the West.

The strip indicated, especially the 8,000 acres which were very carefully broken and worked down last year, have a fine crop.

People Are Prosperous

No one would gather from watching the crowds at the Calgary Fair that they were anxious about anything. On Dominion Day 37,500 people paid admission, and from the grandstand, and paddock, 10,000 who had paid an additional 50c per head, listened to Lieut. Sousa's famous band. In spite of shortage of feed and help there is a very fine display of live stock, more especially cattle, and nearly all the animals are well fitted.

SASKATCHEWAN CONDITIONS

Conditions in Saskatchewan are reported by wire by Ed. Oliver, secretary of statistics, as follows:

There have been heavy rains in many districts throughout the province during the last three days. Although too late to materially affect the wheat crop, especially in the southwest, where it is feared it is beyond recovery, they will greatly improve later sown grains. Reports show wheat heading out in consequence of drought, from six to eight inches high.

A Square Deal for Business

THE reports on the cost of living, labor problems and other phases of the industrial and business situation presented at Ottawa by the bodies of investigation appointed by the Government, following the holding of inquiries reported in such a manner as to inflame a public already restless and dissatisfied, have created a situation which demands courageous and intelligent action. It is futile to argue now that the inquiries have been unfair, that big business was prejudiced before the inquiries, that there was no desire shown to get at the true conditions prevailing, that only the companies which have made big profits were investigated, etc., etc. What is required is that some action be taken which will tend to educate the people to a fair and reasonable understanding of the advantages of organized business in manufacture and distribution in the interests of the consumer.

The Ottawa representative of THE FINANCIAL POST reports that the reactionary element among the manufacturers is still represented by those who are fighting every inch against the increasingly forceful influence of public opinion. Such an attitude will avail nothing. Business interests stand to lose by opposing the public and to gain by meeting the people half way. Manufacturers, wholesalers and retailers—all who are a part in the machinery for supplying foodstuffs and other necessities of life—are being condemned as profiteers not because they are, as a class, actually guilty of unduly enhancing prices, but because there are some who have been greedy, the consequences of whose offences are being borne by all.

The general public has only a vague understanding of business principles. Manufacturers and others themselves have done little to improve this situation. Had they placed their affairs intelligently before the people, the trumped-up sensations of the cost-of-living inquiry would not have been possible. Now that practically all forms of business are under a cloud in public opinion it is plainly the duty of the Government to deal effectively with the situation.

The appointment of a Commerce Court such as suggested by the Cost-of-Living Committee, gives the opportunity for such action. Much will, however, depend upon the personnel of such a body. If the members are political adventurers who seek only to take advantage of the situation to win popularity to themselves by following in the course which has been set by the Cost-of-Living Committee then business has everything to fear. But we feel that wiser counsel will prevail with the Government. What is wanted is a committee where practical and efficient business experts will have an opportunity of discussing with representatives of the consumer the problems involved—of deciding what is and what is not in the best interests of the whole community.

O'Connor Will Not Do

In this connection it is at once evident that W. F. O'Connor will not do as head of such a body. O'Connor has indicated definitely that he is an enemy of business. The chairman of such a board should approach the subject with an open mind. He should not be the friend of either the manufacturer or the consumer if he is to reach conclusions fair to all concerned.

In the packing inquiry O'Connor indicated that he was influenced by the weight of popular opinion. He became a prosecutor rather than an investigator. This was not shown so much by his first report as by the developments which followed. It will be recalled that the O'Connor report was exploited by the press so as to condemn the packers. The margin of spread was made to appear as profit. This was placing an unfair interpretation upon the report. But that unfair interpretation was so popular and brought O'Connor so pre-eminently into the limelight that he seemed to lose his head. He found it much better to be wrong and popular than to put himself and the public right—when neither of them cared to be put right.

The element which has so far succeeded in making the inquiry into business an inquisition is evidently behind the O'Connor nomination, and is adroitly manipulating public opinion to political advantage to bring pressure to bear upon the Government. O'Connor has manoeuvred into the limelight and has stated that he will accept the appointment. The misunderstanding public is strong for him. Thus the Government is being intimidated against following a course which would be just to all concerned. The Premier, Sir Thomas White, and Sir James Lougheed are, THE FINANCIAL POST understands, among those who appreciate the game which is being played and are standing firm for the appointment of a chairman who will conduct the Court of Commerce in a manner which will look to the best interests of both business and the consumer.

It will take a body of men of mature and cool judgment to deal with the situation. So far the inquiries have had the effect of increasing the public discontent because of the manner in which they have been conducted. Because only the representatives of concerns which have made big profits have been called, the people have the opinion that the conditions revealed apply to all business. It would have been only fair to inquire also into those which have suffered because of the war. They have a problem which is also vital to consumers although they may not appreciate the fact.

Common Sense and Regulations

On this basis the recommendations of the Industrial Relations Commission should also have mature consideration. It is one thing to make recommendations on the basis of industries which have prospered under the conditions which have recently prevailed and another to apply them to other industries which may not be in a position to carry them out. Also it is one thing to recommend what industry should do for labor to-day and another to insure that industry can continue to do so in the future.

Business itself is, as we have already emphasized, largely to blame for the public attitude; there has been too much secrecy and the people have had no means of judging between the combines and the efficient organizations working as much for the benefit of the consumer as for capital. The lesson should have its effect upon the future policy of big concerns in their attitude to and relations with the public. In the meantime it is to be hoped that the Government will not be intimidated into doing something which will destroy the efficiency of those big, well-organized, efficient business institutions which are themselves, through the cheap service they render, a dominant factor in regulating the cost of living.

TORONTO RAILWAY'S POOR TACTICS

In their defense of the interests of the shareholders of the Toronto Railway Company, the directors have to fight an element in civic and provincial politics which shows no quarter. The legislation which Sir Adam Beck has put through at Queen's Park, the effort to break the charter contract of the Toronto & Niagara Power Company and the attitude of the City Hall crowd are evidences of the methods being employed. In view of such tactics the company management must take every possible precaution to guard against trickery. But when such tactics merely arouse public antagonism they not only reflect disadvantageously upon the interests of the holders of Toronto Railway stock, but of all holders of public utility securities.

THE FINANCIAL POST does not believe that anything can excuse the blunder of rushing the books of the company out of the province. Nothing has been gained but to arouse the just resentment of the public. In this and other spectacular moves the management has for some years been playing into the hands of the City Hall crowd by providing the desired opportunities for aligning public opinion against the company.

MARKED CHANGE FOR THE BETTER IN THE HALF YEAR

Contrast Between Business Conditions in January and in June

INDUSTRY REVIVES

In a Careful Survey of Developments, Boston Brokerage House Points Out Several Encouraging Features

BOSTON. — Reviewing business conditions at the end of the half-year, Hayden, Stone & Co. recall that at the opening of the year, the United States was in the first throes of reconstruction. The stimulus of war's demand had passed and that of reconstruction and inflation had not yet been felt. Prices of commodities had already dropped and probably eight out of ten expected that with the Government out of the market as the principal consumer, there would be a further drastic reduction. The Government was known to have large supplies of various commodities, notably wool and copper, and the known existence of these stocks was a most depressing influence. Wheat was quoted by other producing countries at hardly more than half the war price fixed by our Government. Sugar war, perhaps, the only commodity in good demand at the Government price. There were only two large industries that we recall, the oil and motor, that were preparing for a large business for which the outlook was at all bright, and these were by no means on a really profitable basis.

A Marked Change

What a change there is to-day! One industry after another has swung into line—rubber, leather, textiles, etc.; the last few weeks have seen the steel industry at last beginning to gain rapidly. As to copper, in the face of a surplus estimated at over one billion pounds, the metal has advanced 4 cents. Instead of a further drop in prices, there have been advances all along the line; in fact, in some cases, so much so as to make manufacturing difficult. Increases now being announced in the price of automobiles, for instance, would indicate that in spite of a capacity demand the advance in labor and materials has made it difficult to secure the profits commonly attributed to that industry. Labor, instead of being a drug, is becoming scarce; in fact more apprehension is felt over this than any other one factor.

Transportation Difficulties

There is only one industry to-day that is losing money, and without prospects of making it; unfortunately, it is one of the largest. We allude, of course, to transportation. Greater traffic and economies of private management will do much, but if these properties are handed back without some definite provision for net revenue greater than these can provide, it will be disastrous; at least, there will be no incentive to invest capital in railroads until our national Legislature takes a constructive attitude towards them similar to that taken by the State of Massachusetts toward the Boston Elevated and the Bay State. This, however, is a review of the past, while the market has to do with coming events.

The Outlook

What then of the future? Every reason to suppose we have hardly more than entered on a fairly long period of industrial activity and prosperity. The signing of the peace treaty will restore international relations; eventually, this will bring us in competition with some of the markets we have been almost exclusively supplying, but it will be some little time before this can materialize.

The first effect should be in our favor. An influence that, we think, will be interesting to watch will be that of prohibition. Entirely aside from the right or wrong of the matter, we believe that this will appreciably increase industrial efficiency. Certainly it will promote saving. On top of everything else, we have the prospect of record-breaking crops.

From a business standpoint, aside from the labor question, the outlook is all that could be desired. Marketwise, it must be frankly admitted that a good part of the benefits to be derived from this period have already been discounted; that is, we are well along in the bull market; perhaps more than half. We doubt very much, however, if we are near enough to the end to make any but a constructive attitude profitable for several months.

It must be frankly realized that a greater volume of new securities is being issued than in any previous bull period. Aside from the question of value, and only a part will prove permanently valuable, there will be a greater mass of undigested securities when the market breaks than there ever was before. This is going to add to the momentum of the pendulum when it begins to swing the other way. It is, perhaps, however, a little early to worry about this now. At the moment, the tendency is strongly in the other direction, and we can only reiterate our opinion that this is likely to be manifest chiefly in the steels, equipments, coppers and sugars.

TO PAY ARREARS OF ATLANTIC SUGAR

Dividends to be Made Up in Cash and Stock, Says Report

By Resident Representative.

MONTREAL.—Plans are being considered, THE FINANCIAL POST understands, by which the five years' arrears of the Atlantic Sugar Refineries may be paid shortly, part in cash and the balance by preferred stock. The amount now in arrears is $875,000, and there is in the treasury $500,000 of stock authorized but unissued, which would leave a balance of $375,000 to be paid in cash. The company is doing a steady export business.

PRICE OF IMPLEMENTS

Grain Growers Would be Embarrassed If Price Reduced

REGINA.—The interests behind the agricultural implement business are making a great mistake. They had an opportunity, immediately the tariff reductions were made, of coming out with new price lists, but so far they are keeping to the old lists. A figure of $262 is a little high for a binder after the tariff reduction.

The Grain Growers have machinery on hand and they would be in a peculiar position if the others came down to the basis warranted by the tariff change.—M.H.D.

MONTREAL GOSSIP

Late Reports in Financial Circles in the Big City

By Resident Representative.

MONTREAL. — Royal Securities Corporation were awarded Halifax issue 5 per cent., 34-year bonds, at 94.76.

Riordon Pulp and Paper Company stock rose to 148 on Friday on reports of usual big bonus from Ticonderoga and starting of new Kipawa mill in October.

Dividend slips of Laurentide Company state that regular 3 per cent. and bonus of 3 per cent. are being paid out of earnings for 1919. This removes idea that any part is due to dividend from Laurentide Power Company and now 18 per cent. is talked for Laurentide for the year, as 9 per cent. already paid out of earnings for six months.

Canadian Car and Foundry Company has been given orders for 18 sleeping cars and 9 diners from Canadian National Railways and the Company is trying to secure $7,000,000 from the United States alien enemy funds for Kingsland disaster.

NO WHEAT LOAN MADE

Possible That Arrangements Will Not Be Made at All

By Resident Representative.

MONTREAL. — The report that Canadian banks have arranged a loan of $200,000,000 for the moving of the wheat crop is incorrect. It is quite possible that there may be no loan this year, one of the difficulties so far being the uncertainty as to price of the new crop.

Annual report of the Chicago, Burlington & Quincy Railroad Co., for the yaer ended December 31, 1918, corporate income account shows net income after charges and war taxes, of $22,792,499 equivalent to $20.56 a share earned on the $110,839,100 capital stock, as compared with $29,406,032 or $26.53 a share in the previous year.

STOCK MARKETS HAVE BROADENED OUT SOMEWHAT

Steel Stocks Develop a Good Deal of Strength During the Week

NEW YORK STRONGER

The Victory Bond Market Has Been Less Active and Softer, Due Largely to New Government Financing

Canadian stock markets have broadened out somewhat during the past week and towards the close have evinced a good deal of strength and activity. Movements have been influenced to a considerable extent by New York where the big market has again been active and strong. There is to-day a good deal more speculative buying of stocks on the Canadian exchanges than was the case earlier in the year, and market leaders have very largely been stocks in which the speculative element predominates. This is especially true of the steel stocks and some of the paper issues. Substantial gains have been recorded by several of these, which are now selling at prices that appear to conservative students of the market as rather high.

Victory bonds have shaded off fractionally and are not in as strong request as they were a few weeks ago. Reasons for this are found in the announcement of new Government financing both at home and in the United States. There will always be a tendency in such cases for investors to hold off until they can size up the opportunities that will be offered by the new flotations. The probability, however, that the next loan will be taxable, precludes the likelihood that more favorable conditions will attach to the new issue and this should tend to keep the tax-free bonds in steady request.

The mining market preserves a fairly steady tone and there is a normal volume of trading. Prices of many of the producing mines are now back at levels which should attract the attention of investors. A review of the mining industry for the first six months of the year shows pretty

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1. Will the ending of the war help or hurt the price of such stocks as Baldwin, Bethlehem Steel, Midvale, etc.?
2. Are the coppers "peace" stocks or "war" stocks? What class do the automobile stocks come in? The oils?
3. Among the rails, are the standard dividend-payers or the low priced non-dividend payers the thing to buy?
4. As the war draws to its end, what is likely to be the course of interest rates? How will that affect the price of bonds?
5. Which are the best bonds to hold—the high-income producers or the old line investment issues?
6. Are short term notes or long term bonds the better proposition at present?
7. Does the putting into effect of the new tax law mean a general reduction in industrial dividends?
8. Can the stock market rise in the face of the tight money situation?
9. New influences on security prices are beginning to become operative. Do you know how to go about adjusting your investments so that you will be helped and not hurt?

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THE INVESTMENT WEEKLY
42 BROADWAY NEW YORK

FAR-REACHING CONSEQUENCES OF LABOR TROUBLES

A Full Year's Business May Be Lost in Metal Trades.

SEASON IS PASSING

Not Considered Good Business to Manufacture Now for 1920 Delivery—Orders Filled From Stock

On more than one occasion THE FINANCIAL POST has drawn attention to the fact that it is highly desirable for many reasons that the metal workers' strike, which has been on in Toronto and other centres for almost two months now, should be terminated as quickly as possible. There are indications that seem to point to this being done before the middle of July. It may be that the strike will last beyond that date, but it seems likely that a settlement is not far off.

It is not necessary to be pessimistic in order to point out that the continuation of the strike is going to mean bad business this coming winter. It has put some of the men now where they cannot hope to recover this year. Strike pay is an aggravation, and many have found this out. As long as three weeks ago a number of the mechanics held a meeting in a Toronto plant one evening to discuss the whole situation with the management, and it was found that there was very little between them. Had they been left free to go ahead and reason and negotiate right there, the chances are they would have been at work next morning.

It is not simply that the men are missing their regular wages, but the ability of the firms to pay them when operations start again is being lessened. Here is the situation at one large plant. It is not the opinion of THE FINANCIAL POST on that matter, but the actual conditions, as outlined by one of the chief executives:

"When we finished our war contracts we had a pretty good idea of what line we would make, and went ahead to make purchases of equipment for this purpose. In all we tied up about $200,000 in plant and one way or another. Our seasons are such that in order to work in with our sales organization we should have needed production at the end of June or the first of July, at the latest. We heard rumors of the strike, and did not know what to do. The strike came and we have been tied up ever since. There is $200,000 in machinery and other appliances all the way from the moulding shop to the shipping room. If we should start operating now it would take some time to get things under way, and it would be well on toward October before we could get any production at all. That would be of no use to us, as we do not wish to go ahead and store our goods. We like, as far as possible, to get a steady output right from our shipping room to the buyer. We are seriously considering now whether we had better think of going on now this year, or simply close down until the spring, when we would be able to start up and make all we needed in time for the season's selling. We don't want to do this if there is any other way out, but we can't figure out any advantage in trying to go ahead now under these conditions."

Suspended Activities

This firm wanted about 350 mechanics to go ahead with the programme it had under way. There may be other companies placed in similar position. If this is so several usually good sources of employment are going to be closed right at the time when the employment is needed.

Some of the large firms that had cancellation clauses attached to fairly large orders they placed some months ago have not taken advantage of the provisions. This leads to the belief that they see something in the near future that looks like a resumption of work. If they did not it is hardly likely they would buy heavy stocks and come back into the market for more, as their orders can be placed and filled on fairly short notice now at nearly any of the mills.

Some of the manufacturers affected were in the position of having large stocks ahead and from these they are able to meet the current demands, in many respects a fairly satisfactory arrangement in such an unsettled period when there is uncertainty, both as to future demand and prices.

Calgary street railway fares have been increased to a straight five-cent fare with five tickets for 25 cents and 22 for a dollar. Special workmen's rates have been dispensed with and children's rates are eight tickets for a 25 cents. Electric light rates are to be increased from 75c to $1 minimum, with ten per cent. discount for prompt payment.

Directors of the Pierce-Arrow Motor Car Company finally took the long-expected action of passing the dividend on the common shares. There has been talk of such action for the past two quarterly dividends, but always the regular dividend was declared.

OIL VERSUS COAL

Mining Interests Realize That Competition Will Be Serious

NEW YORK.—That coal men realize the seriousness of present and impending competition from Mexican fuel oil, is evidenced by the recent appointment by the National Coal Association of a committee to investigate the adaptability of oil to various fueling problems, and the consequent displacement of considerable coal tonnage.

At a meeting of the Board of Directors of the association in Cincinnati the committee reported, strongly advocating recommendations for congressional action. The speakers said millions of dollars are being lost to miners and other wage operatives and that millions are also being lost to railroads and American ships, in addition to the losses to operators, because of the cheapness of oil production. It was explained that the loss to American shipping was due to the fact that Mexican fuel oil is transported in foreign tankers. An import duty of $1 a barrel was therefore generally favored. The matter is to be taken up with Congress.

EASTERN PRODUCERS' CO-OPERATIVE SUCCESS

United Fruit Companies Is Now Operating on a Satisfactory Basis

By Special Representative

HALIFAX. — The United Fruit Companies, Ltd., had its annual meeting at Kentville last week. This organization is a big co-operative concern, made up of some fifty subsidiary companies which do business on a retail scale. It acts in a sense as the wholesaler for the subsidiaries. The statement at the annual meeting showed business for the year amounting to $2,000,000, and this has been transacted at a cost of 1.31 per cent.

The United Fruit Companies has had its ups and downs, but now is in a prosperous state and is in high favor with the producers of the Annapolis Valley, where its operations are exclusively carried on. Heavy losses were sustained in potato shipments to Cuba, where the bulk of the exports o this article go, not because of any mismanagement of the business, but because of the long-continued strikes in Havana which made it impossible to handle shipments, and thousands of bags of potatoes rotted where they were laid down. In spite of this, however, the year has been satisfactory, and the annual statement pleased the shareholders.

The company has been in operation for eight years, though the local companies, doing business more in a retail way, have been going on much longer than this. It not only attends to shipments for export for the local companies but deals in many forms of supplies that the farmers require in the conduct of their operations. The proportion of apples and potatoes that they handle, as compared with the total shipments from the Valley, is very large, considerably more than one-half. The company, in a measure, is the "grain growers" of the East.

FARM LANDS SETTLEMENT

Organization Effected For the Province of Alberta.

CALGARY.—Under the direction of J. Bruce Walker, federal commissioner of immigration, Alberta, has organized a Farm Lands Settlement Association. This follows similiar action by Saskatchewan and Manitoba. The associations are composed of owners of and dealers in farm lands for sale, who supply information and literature regarding farm lands held. The Dominion Government has in the United States twenty land offices where advertising of Canadian farm opportunities is carried on and enquiries received from intending settlers. A notable departure from pre-war immigration activities is that free homesteads of 160 acres are no longer offered, the intention of the Government now being to reserve such lands for returned soldiers. In place of this, land is advertised as available at from $15 to $20 per acre. Enquiries, which are reported as averaging 100 a week, a total of 2,000, are to be forwarded to the Land Settlement Associations in the Western provinces and distributed by rotation among associations and individual members. The Saskatchewan association has arranged for a commission of 10c per acre on commissions of $1.00 per acre for agents and 10c per acre for sales by owners. The Dominion Government accepts no financial responsibility in connection with transactions made, but simply arranges to put intending purchasers in touch with available lands through the associations, which will be practically clearing houses of information.

SERVICE AT COST NOT FOLLOWED BY PUBLIC OWNERSHIP

Cities Have Never Exercised Right to Take Over Street Systems

FEATURES OF PLAN

A Co-operative Arrangement Which Should Interest Canadian Cities With Transportation Problems

By E. P. FREDERICKS,
At Canadian Electrical Association Convention.

While service at cost has had its most frequent application in the case of street railways, it can be used to equal advantage in the case of any public utility because the plan is fundamentally sound, is practical in operation and guarantees a square deal to every interest concerned. The investor and consumer are assured of fair treatment and satisfaction under service at cost.

One of the strongest tributes in favor of the plan and the satisfactory result of its operation, is reflected in the fact that wherever the plan has been adopted it has provided that the city could take over the road whenever it desired, and yet, in not one instance, has advantage been taken of this clause.

Briefly summarized, service at cost offers the following noteworthy features:—

1. It calls for close public supervision.
2. It demands an improvement in service and the maintenance of service at its best standard.
3. It demands efficient and honest administration.
4. It provides for charges sufficient only to pay the actual cost of good, adequate service.
5. It guarantees the integrity of the investment.
6. It restores the credit of the utilities affected and renews public confidence in them.

While service at cost, unlike other plans, does not make the companies the sole judges as to whether, and to what extent, they shall increase their fares, it does contemplate a more ready and flexible arrangement of fares to changing financial conditions and the revenue requirements of the company. This is something that is not possible under present methods of operations, nor is it embodied in any other plan that has been suggested. In so far as this result can be accomplished without sacrifice to the public interest it will tend to place the street railway or other investments upon a more stable basis and to eliminate the delays and long controversies that are such a frequent cause of complaint against the present system of regulation and operation.

Briefly, the service at cost plan provides that a public utility operating under it shall provide service at its actual cost, including operating expenses, maintenance, depreciation, taxes and 6 per cent. interest on the investment value. Investment value shall be money prudently and honestly invested, and this has been interpreted by different public service commissions and railway boards to mean money that has been invested as "reasonably necessary for lawful purposes." It should be noted that 6 per cent. on the investment value does not limit the return of any particular securities to 6 per cent. If the bonded debt carries a lower rate of interest lower than 6 per cent. might be available for the stock, but it is generally conceded that 6 per cent. is a fair return on the investment value.

The actual valuation of each company accepting the plan should be established by the railway board, board of arbitration, or other properly constituted authority, so that there may be no criticism as to inflated valuation.

Upon the acceptance of the service at cost plan of operation each company intending to operate under it must provide a reserve fund. This, in some instances, has been 3 per cent. of the investment value. This reserve fund is to be drawn upon only to pay interest and dividend charges and then only in the event that the operating income is not sufficient to meet these charges. It is worthy of note that many prudent investors insist upon the interest or dividend charges in securities being earned by large surplus. Service at cost precludes an annual surplus. The reserve fund takes its place, and insures the continuance of interest and dividends regardless of sudden changes in the business. The reserve fund really acts as a barometer, rising and falling as the business becomes more or less profitable and indicates to the public, the company and the public authorities the condition of the business at all times.

It has been found that this plan succeeds in stabilizing the companies' securities and maintaining a healthful, normal tone and the proper balance in the operation of the companies. Whenever withdrawals upon the reserve fund have reduced the fund to the extent of 30 per cent. of its original amount the company is permitted immediately to increase its revenue by such a re-arrangement of charges for service, as will in the judgment of the railway board or other commission, properly restore this reserve fund to its normal condition.

The operating balance remaining after the operating expenses are paid shall be added to the reserve fund and whenever, at the end of any specified time, the reserve fund reaches an

Continued on page 10.

SOVIET CONCESSIONS

Giant Privileges Offered by Bolshevists to Encourage Capital

In "Social Demokraten," some particulars are given, according to the "Lumber Trades Journal," of the giant concession, the greatest hitherto granted in the world's history, which the Soviet Government of Russia has decided in principle to offer to foreign capitalists. It comprises partly the railway properties from Ob, in Siberia, to Petrograd and Archangel, and partly the rights and usufruct to 17½ millions tunnland of forests in the vicinity of the lines; further, the use of the water-falls in the neighborhood and the use of ore discoveries. Finally the concessionaires have the right to open their own banks at all the railway stations and in the neighboring towns. The railways alone are estimated to represent a capital of 4½ thousand millions of German marks.

TAXPAYER MEETING RAILROAD DEFICIT

Rates Are Still Low as Compared With Most Other Prices

PHILADELPHIA. — The railroad business is being conducted differently from any other line of commercial activity, in that the entire cost of the thing sold is not charged to the purchaser or consumer, but is in part charged up to the public in general, in other words the taxpayer makes up the deficit. Since the railroads were placed under Federal control there has been an increase in both rates and wages, but the increase in wages and of materials purchased has so far outclassed the increase in rates that a deficit has been shown from the beginning of Federal operation to the end of April of $486,000,000. Speaking on the question of deficit and an increase in rates, Director-General Walker D. Hines, in addressing the Philadelphia Chamber of Commerce, said: "I believe it more to the public interest for the time being for the Government to carry this deficit and let us carefully study it, as to the extent to which this deficit will soon be wiped out by increased business, rather than by an increase in rates prematurely, and avoid the danger of starting an unnecessary cycle of further increase in the cost of living. As I look at it, therefore, the present deficit that is being incurred is not due to any exceptional or relatively unjustifiable expenditure of the railroads as compared with other lines of industry, but is due rather to the fact that the Government is keeping down the rates rather than putting them up."

In the same address, Director-General Hines said: "I have heard it stated a number of times, and I believe it is true, although I have not had an opportunity to check the figures, that when you consider the price paid for everything else, the values that are enjoyed by every article transported by the railroads, a given unit, of any commodity, will buy more transportation now than it ever did before in the history of the country. A ton of steel or a bushel of wheat or any other unit of any commodity will buy more transportation now than ever before."

SHORTAGE OF COAL

Situation May Become Acute During Next Winter

OTTAWA.—A survey of the coal situation by the Commission of Conservation indicates that a coal shortage next Winter, and possibly next Autumn, is almost a certainty.

During the week ended May 24, the output of anthracite was only 1,679,000 tons. This production is 65,000 tons less than the week preceding, and is 326,000 tons less than the corresponding week in 1918. While the production is falling off, retail dealers in the United States continue to be deluged with orders from customers who are insistent upon prompt deliveries.

Up to June 7 of the present year, the total production of anthracite was only 33,349,500 net tons, as compared with 42,858,000 tons in the corresponding period of 1918, a decrease of 9½ million tons, or 22 per cent. It is a fair assumption that the production during 1919 will be less than 80,000,000 tons, whereas the production in 1918 was 99,514,334 tons. If this prediction be verified, there will be a shortage of 20,000,000 tons, or 20 per cent.

BIG REDUCTION IN STANDARD RELIANCE ASSETS

Book Figures Marked Down by Over Three Millions

PREVENTATIVE LAWS

Need Urgently Felt For Practical Government Administration — Shareholders Should Take Interest

The announcement by G. T. Clarkson, as liquidator of the Standard Reliance Mortgage Corporation, of a reduction of $3,118,483 in the assets of the company from their book value is causing considerable discussion in mortgage and investment circles. Whereas the first report indicated that there would probably be something substantial for the shareholders there is now shown to be a deficit of $352,078. The pertinent question is being asked as to how the company's affairs came to such a pass.

There would appear to be a very urgent need for action on the part of the Provincial Government as recommended by the FINANCIAL POST. That is the appointment of practical loan company man as a superintendent of loan company affairs. In the case of the Standard Reliance, the books were in such shape as to be passed by an auditor or a chartered accountant but they would not have fooled a practical mortgage man with a knowledge of realty values in relation to the book assets. In this same connection, attention is being directed to the fact that although the year is half gone the Provincial Government return giving mortgage company figures for 1918, has not yet been issued. Unusual interest will attach to these figures in view of recent developments.

Shareholders' Lack of Interest

Another point being discussed following the appearance of the Standard Reliance report is the lack of interest usually displayed in the affairs of such companies—and all companies for that matter—by their shareholders. Annual meetings are for the most part mutual admiration affairs, where there is no mention of criticism or inquiry for details. There is one trust company which is an exception to this rule. It has a special committee of shareholders appointed to examine into and report upon the assets of the company to confirm the book value thereof. Such a committee would soon have found something wrong in the case of the Standard Reliance; in fact the dangerous course would probably never have been entered upon.

In the statements submitted, the report states, real estate appearing upon the records of the companies as of a net book value of $2,593,927 has been included at $1,249,194, a reduction of $1,344,733; in addition, approximately $925,000 has been written off as the difference between book values and the amounts realized from sales of Lawrence Park properties at a recent auction sale. Mortgages receivable and agreements covering sales of land appearing upon the companies' books at $3,445,321 have been included as of a value of $2,596,571—a reduction of $848,750." It further states that in attributing the values mentioned effort has been made to be conservative and fair, and that the estimates are matters of opinion only.

A Deficit Recorded

The statement of the Standard Reliance Mortgage Corporation submitted shows assets of $4,756,961, against liabilities—excluding capital stock—of $5,109,039, indicating a nominal deficit of $352,078. This statement should be accepted as the best estimate which it is possible to to make at this time, and with information available, as to the situation. If transportation facilities in North Toronto, and conditions pertaining to sale of real estate, shall improve in the next year or two, however, it is entirely possible that a higher return may be obtained from the assets than is allowed for in the statement; on the other hand, if general conditions do not lend themselves to the sale of real estate at fair prices, or extended delays take place in the disposition of assets, an increased impairment must be looked for.

The statement of the assets and bilities of the Standard Reliance rtgage Corporation as revised to ne 18 last shows:

ssets: Investments in and advances to Devercourt Land, Building and Sav- Company, Limited, $5,008,162.35, ed at $2,150,000.

ortgages receivable and agreements ring the sale of real estate, $2,379,- 33, estimated value, $1,752,570.81.

ck, bonds and debentures, $453,632.83; less loans there against, $100,000; $353,632.83.

Real estate and office premises, $542,566.43; estimated value, $343,123.43; less mortgages there against, $33,000; $310,123.43.

Loans against shares of company, $7,631.24. Estimated value, $2,500.

Furniture and chattels, $13,966.19.

Cash on hand and in banks, $146,105.74.

Rents accrued, $4,379.19.

Sundry assets, $51,631.20. Estimated value, $23,683.12.

Estimated value of assets, $4,756,961.31.

Liabilities: Deposits, $1,032,409.32; deposit receipts, $216,029.80; debentures, $4,024,578.19. Total $5,273,017.31.

Less—Securities held by depositors, $100,000; trustees, $70,164.20. Total $170,164.20. Accounts payable and cheques outstanding, $6,186.45. Total liabilities, $5,109,039.56.

Nominal deficiency to creditors, $352,078.25.

Dovercourt Land Affairs

The revised balance sheet of the Dovercourt Land,B uilding & Savings Co., Ltd., up to June 18, 1919, shows:

Assets pledged or assigned to the Standard Reliance Mortgage Corporation—Real estate and collateral securities appearing upon company's books as of value of $3,932,182.01, valued at $2,786,832.01.

Less prior mortgages thereupon, with accrued interest, $1,491,791.69. Taxes in arrears and for 1919, $131,029.45. Total, $1,622,821.14.

Nominal surplus, $1,164,010.87.

Mortgages and agreements receivable, including those covering Lawrence Park sales, as per company's books, $1,065,497.23, valued at $844,000.00.

Rents accrued, $13,224.67.

A total of pledged assets of $2,021,235.54.

Assets not pledged—Stocks, bonds and debentures, as per company's books, $431,326.84. Valued at $97,050.00.

Loans against securities, book value, $146,132.68. Valued at $25,106.25.

Accounts receivable, as per list, $114,388.20. Valued at $25,000.00.

Cash on hand and in bank, $1,268.47.

Furniture and chattels, $3,229.00.

Total estimated value of all assets, $2,172,889.26.

Liabilities—Standard Reliance Mortgage Corporation—Advances, secured by mortgage and assignments, $3,765,024.65. Advances, direct, $799,984.96. Advances, by way of overdrawn account, $33,652,74. Total, $4,598,662.35.

Accounts payable, $8,354.92.

Reserves to cover contingent loses, $84,640.

Contingent liabilities re taxes of British Land Company, Limited, $4,000. A grand total of $4,691,657.27.

INVESTMENT BUYING WOULD HELP STEEL

Still a Tendency to Hold Back For an Improvement in Prices

By A. R. KENNEDY
Editor "Canadian Machinery"

The steel trade is looking for the return of one chap who has been away for some years now, viz., the investment buyer. It has been expected that the signing of peace would mark his return. The purchaser who buys for something that he has in hand has been doing fairly well in his way, but he cannot turn in enough business to bring the production at the mills to anything like capacity, and until this can be done the production costs are not going to show anything like a decrease. "Hand-to-mouth" represents fully eighty per cent. of the business that has been placed in the steel trade for many months.

The investment buyer's option in the matter is becoming narrowed with the passing of time. There are buildings that MUST go up, and yet there is a tendency to hold back for better conditions. These structures represent permanent investments that will have to be worked against in overhead year after year, and they will have to compete with buildings that were put up for much less money in pre-war years.

The Stability of Prices

The correspondent of the FINANCIAL POST at Pittsburg, speaking of price says:

Price cutting has not disappeared from the finished steel market, but there is less of it, apparently, than 30 days ago. The important feature, however, is that there has been price cutting for so long a time without its pulling down the general market level. The market has displayed an inherent strength that was hardly expected of it. Earlier in the year the philosophy of the mills was, in substance: "Let us hang together, so that we do not hang separately." Price cutting, it was then thought, would cause the bottom to drop out of the market. Accordingly, it was very unpopular to cut prices, but of late there have been several lines of finished steel product in which a mill could have felt free to cut prices, if it desired, because it had so many examples to follow. In sheets, for instance, while the leading interest has adhered strictly to regular prices at all times, there was a time when probably 25 per cent. of the tonnage booked by independents was at cut prices. The proportion is now less. The Inland Steel Company, for instance, has withdrawn from the market entirely, being comfortably filled with orders. In pipe the irregularities recently far from uncommon have practically disappeared.

The Detroit Bureau of Governmental Research writes, in reply to a letter from the Toronto Bureau as to the recent vote against purchase in that city, that the principal arguments against the acquisition of the railway by the city were as follows, the second argument being considered the more effective:

"The price was considered too high," and

"Other methods of transportation must supersede the present street railway lines if the transportation problem, both as to relieving present traffic congestion and opening up new outlying districts, is to be solved."

FARMERS SHOW CAPACITY FOR BIG BUSINESS

Methods Decried in the East Are Employed by Grain Growers

BIG SALARIES TOO

Officers Are Justly Rewarded for Their Accomplishments —Profit of 21% on Agricultural Machinery

By Resident Representative.

OTTAWA.—It seems rather a pity that some of the manufacturers were pilloried before the Cost of Living inquiry as heavy profiteers and unscrupulous producers of surpluses could not have waited over to attend the inquiry when the Grain Growers were investigated—they might have got a little of their own back. They might also have joined in the satisfaction, and to a certain extent, the amusement, of the committee and spectators when they heard the princely salaries the farmers pay their officials, and the princely profits they make from their operations. And in the matter of overages—that polite name for rake-off which the elevators enjoy—they would have found that the farmers' companies are the very last that can adopt the "Holier than thou" attitude which some of their Western representatives have been assuming in Parliament and elsewhere.

Mr. Crerar is supposed to have been under tuition for some time in a species of parlor Socialism. Imagine the confusion of a Socialist who has to confess that he enjoys a salary of $15,000 a year, and that, in addition, up until last February, he was also drawing the salary of a Cabinet Minister. Another officer of the company owned by these impoverished Western farmers draws $13,000; another $11,000, and so on. Mr. Crerar is the head of a $5,000,000 corporation, paying dividends of 10 per cent. and accumulating large reserves permitted to do business under its charter, as the manager said, "anything except banking and railroading." Its operations are not confined to its own shareholders; it does business with the general public. On agricultural machinery, the item on which the Western farmer claims he is hardest hit, this company, with the altruistic outlook, made a profit of over 21 per cent. last year. Its manager testified that he would not want to be manager of any business which did not accumulate reserves. One of the directors of the organization told the committee: "We cannot run a bank or a railroad, and that is about all we cannot do."

"All for the glory of God," said a sarcastic fellow farmer from the East.

The minority shareholders in the company are never represented at its meetings in the way of voting.

Among the lines of business in which this great corporation is engaged are the following: two grain exporting companies, a newspaper, a lumber and saw-mill business in British Columbia, a feed business in the same province, a live-stock department, the United Grain Growers' Security Company.

Over ten years, they have paid dividends of 10 per cent., accumulated reserves of nearly $1,800,000, and, as an orator at a Grain Growers' convention would say, "Spread their tentacles all over the West."

And more power to their elbow; but why be so hypocritical about it?
—T.M.F.

A MUNITIONS CLAIM

Interesting Action Before the Courts at Montreal.

By Special Representative

An interesting insight into munitions contracts was given this week in the hearing of an appeal of Col. James J. Riley, former manager of Curtis's & Harvey (Canada), Limited, for a sum of $50,000, which he alleged was due him from the company, a claim which a lower court had dismissed. Briefly, the claim of Col. Riley was based on an undertaking in March, 1917, he had, by which the company was to pay him the sum of $250,000 on specified dates. Before the explosion occurred on August 18, 1917, at the Dragon plant—by which it was wrecked, and the company afterwards went into liquidation as a result—there had been paid over the sum of $150,000, and the liquidators did not object to the claim of Col. Riley to the balance of $100,000. However, there was another clause by which a penalty of $50,000 in addition was provided if the company disposed of its assets save in the ordinary course of its business operations." Col. Riley claimed that the company had violated this agreement in going into voluntary liquidation; by offering its entire plant, premises and assets for sale; by selling en block its stock of raw material; by selling and disposing of its plant and machinery en bloc; and by abandoning a contract with the United States Government in favor of another company.

The court found, however, that "force majeure" prevented the company from continuing its business operations, and the agreement contemplated the normal manufacturing conditions only. The court remarks that it was suggested that the decision not to rebuild was made by the majority interest of shareholders, Curtis & Harvey of London, "who had entered into a merger of interests with the Canadian Explosives, Limited. In any case, the company had no cash available to rebuild, and the Canadian Explosives took over the United States contract and relieved the company of its obligations," and "while it is true the Canadian Explosives made a handsome profit, it is equally true that the company in liquidation participated in such profits to the extent of $170,000." The court feels that such a result indicates that the liquidation proceedings were not in the nature of a fraud on the rights of the creditors, and dismissed the appeal.

AUTOMOBILE PRICES

More Likely to be Advances Than Declines in Near Future

BOSTON.—The opinion has been rather general, even among automobile dealers themselves, that the opening of the new automobile year, July 1, would see substantial reductions in automobile prices as a result of the tremendous production and lowered material costs.

It is now clear that not only are reductions practically out of the question for the balance of the year, but a long series of advances seems to be in the making. Higher labor costs have apparently more than offset the saving in material costs and the reduction in overhead charges arising from the resumption of normal, unrestricted production.

SERVICE-AT-COST IS GROWING IN FAVOR

A Number of Cities Have Adopted it, and Others Have It Under Consideration

As a result of enquiries conducted by the Toronto Bureau of Municipal research the widening interest being taken in the service-at-cost plan in the operation of municipal transportation systems is indicated. Replies were received from 14 cities in the United States and Canada, and in 6 of these the idea has already been brought to a working basis. In other cities it is being considered or some other plan has been worked out which is more or less equally effective in providing the company with an income tax which will cover the cost of operation and leave something reasonable for the investors of capital. Following are brief reports from the various cities referred to:

Buffalo—Plan was on foot, but Governor Smith vetoed the bill.

Chicago—Plan proposed, but defeated on a referendum last fall.

Cincinnati — Plan in operation and considered a great improvement.

Cleveland—Plan in operation since March, 1910. Regarded as a great improvement.

Dallas—No guarantee here that the company shall receive 7 per cent. on capital, but that is permitted as a maximum.

Des Moines—Plans suggested but not in operation.

Kansas City—Idea not contemplated at present.

Louisville—Plan not in operation.

Montreal—Plan in operation.

New Orleans—Plan not in operation. Increased fares asked for.

Philadelphia—Plan not in operation. Increased fares asked for.

St. John—Plan adopted here under State Public Service Commission, which allows fares to provide reasonable return on fair valuation.

Youngstown, Ohio—Service at cost went into effect in January last.

INDUSTRIAL CONGRESS

Big Gathering of Manufacturers to be Held at Calgary in August

CALGARY.—The industrial congress to be held August 11 to 16 is assuming international importance, and thousands of American manufacturers as well as those of the eastern part of Canada as well as England will be on hand. The discussions are to be made by men foremost in industry and science as applied to industry on this continent. Among those who will speak are Sir Robt. Borden, Prime Minister of Canada; Henry Ford, Harold McCormick, head of the International Harvester Co.; E. W. Beatty, president of the Canadian Pacific Railway; Robert Dollar, head of the Dollar steamship lines, and many others.

All interested in industrial development in the West or in Western markets are invited to attend. The movement is accompanied by a propaganda to the effect that eastern factories which sell to western markets in bulk should build branches in the West.

Banking Service

The attention of manufacturers is drawn to the excellent facilities this Bank offers in all branches of a complete banking service.

A good banking connection is an essential to the success of the manufacturer or merchant.

THE CANADIAN BANK OF COMMERCE

Capital Paid Up, $15,000,000. Reserve Fund, $15,000,000

THE ROYAL BANK OF CANADA

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LONDON COUNTY WESTMINSTER AND PARR'S BANK, LIMITED

one of the great English joint stock banks, for the purpose of encouraging trade within the Empire and for the extension of Empire trade in foreign countries.

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Corporations, firms and individuals who wish to transact business with the Mother Country, including the transfer of funds to or from the British Isles, are invited to confer with the Branch Managers of the Bank.

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NINETEEN BRANCHES IN SASKATCHEWAN
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	($5=£1.)
Subscribed Capital - - - - - - - -	$172,144,000
Uncalled Capital - - - - - - - -	136,281,000
Paid-up Capital and Reserve Fund - - -	71,726,000
Deposits - - - - - - - - - -	$1,674,492,000
Cash in hand and at Bank of England - -	318,780,000
Money at Call and at Short Notice - -	329,045,000
Investments - - - - - - - - -	308,003,000
Bills of Exchange - - - - - - - -	196,246,000
Advances on Current and other Accounts -	496,068,000
Advances on War Loans - - - - - -	71,091,000

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Sir EDWARD H. HOLDEN, Bart., *Chairman*

PAY HIGHER INCOME TAX FOR EVASION

Current Rates Charged on Previous Years That Are Unreported

EARNED—UNEARNED

Distinctions and Deductions That May be Made—Resident and Non-Resident

By **P. F. McCAFFREY,**
Inspector of Taxation, Montreal District.

No doubt it will be interesting to know at the outset how the income tax operates in regard to the individual. Taking the case of the married man the following are the amounts he would have to pay for the three years respectively:

Salary	Tax 1917	1918	1919
3,000	0	20	40
6,000	120	140	170
10,000	360	392	590
50,000	5,000	5,780	9,190
100,000	14,760	17,670	31,190
500,000	130,760	195,000	303,000
600,000	159,000	248,000	372,590

There are two classes of incomes, Class A and Class B, or better, "Earned" and "Unearned."

The first class includes salaries, commissions, bonuses, directors' fees, gratuities from any business, as something earned in return for services rendered the business or corporation.

Class B—unearned — consists of dividends, interest or mortgages, rentals, income from bonds, money received as heir to an estate, etc.

From Class A nothing can be deducted except what is contributed to the Patriotic Fund or Red Cross.

From Class B one is allowed to deduct charges against income such as taxes paid on property, depreciation on buildings (not on land, for no asset God made is considered subject to depreciation). Water powers, for instance, are held to be the same value as was paid for them. But any carrying charges are considered a proper deduction from secondary income. But while the deductions may be sufficient to wipe out the secondary income, any amount greater than this cannot be deducted against the Class A or Earned Income.

Income Tax on Non-Residents

A Canadian citizen entirely resident abroad is non-taxable under the Income Tax Act, except in the following circumstances:

(a) If he is a partner in, or the sole proprietor of, a business carried on in Canada.

(b) If he receives a salary, director's fees or other emoluments for services which may be deemed by the Income Tax authorities to be performed in Canada.

(c) If he is the owner of revenue producing realty situate in Canada.

A Canadian citizen non-resident who receives dividends from Canadian corporations, or interest on Canadian bonds or mortgages is not taxable on those dividends or interest.

A non-Canadian citizen, not resident in Canada, but receiving a salary for duties deemed to be performed in Canada, is taxable on that salary only, e.g.: An American manufacturer, president of a concern in the United States, is also president of a subsidiary company in Canada, from which subsidiary company he receives a salary. He is taxable on this salary, although his acquaintance with Canada may be limited to an inspection trip once a year, or at longer intervals.

Partial Residence

A taxpayer regularly resident in Canada only a part of the year, and the remainder of the year resident abroad in pursuance of his duties, is taxed only on the amount of income actually earned in Canada.

A citizen of another country, becoming a resident of Canada, is taxable on his income for the whole of the year in the course of which he came to reside in Canada, and not merely on the part earned or received while actually resident.

Deduction of Income Tax

British and United States income taxes paid by residents of Canada on income received by them, originating in either Great Britain or the United States, can be claimed as a deduction for income tax purposes from the income—not from the amount of the income tax. In cases where the British or American income tax has been deducted at the source, only the net income actually received from those sources need be reported.

No deduction can be claimed for British or United States income taxation imposed on income originating in Canada.

Citizens of any foreign country resident in Canada are liable to the Canadian income tax, irrespective of whether their own country compels non-resident citizens to pay full income taxes.

Note:—By an Act of Congress, passed early in 1919, American citizens resident in Canada, can now deduct the amount of their Canadian Income Tax from the amount of their American tax. This arrangement, however, has nothing to do with us officially, but merely concerns the American Government and its own non-resident citizens.

No Escape

"You may think you have escaped this past year or next. A man may stay away from the Income Tax Office for 2 or 3 or even 5 years, but when he is found in the end he will have to pay taxes for the previous years at the current rate of taxation, and you notice it's going up all the time."

PROVINCIAL RIGHTS INVOLVED IN DEAL

Edmonton Board of Trade Is Unfavorable to the Shell Negotiations

In connection with the statement in the Commons last week by Hon. Arthur Meighen, that there were no negotiations between the Government and the Shell Transport and Trading Company for coal and oil rights in Alberta, it is reported from Edmonton that the Board of Trade of that city recommended to Ottawa that the proposals be not entertained. A special committee of the board which had the matter in hand submitted several reasons for the course recommended, the report being in part as follows:—

> So far as regards that part of the territory sought which lies within the Province of Alberta, negotiations are pending between the Dominion Government and the Government of Alberta, which may result in the transfer of the natural resources of the province to provincial control. It would be obviously improper for the Dominion Government to dispose of what is believed to be one of Alberta's most valuable natural assets while such negotiations are pending, and possibly on the eve of such transfer taking place.
>
> As against the offer of a share of profits for either the Dominion or Provincial Government, as the case may be, there is much to be said in favor of imposing an adequate royalty.
>
> In view of serious efforts towards development of the northern oil resources at present being made by very substantial interests without anything in the way of special concessions, it is not clear that development would be expedited or the public interest served by the granting to any one interest of monopolistic rights such as suggested.

COMPENSATION INVESTMENTS

Nova Scotia Board Has a Surplus of $1,500,000

By Special Representative

HALIFAX.—The report of the Nova Scotia Workmen's Compensation Board shows that the Board has invested reserves amounting to $1,500,000 in bonds of the Dominion of Canada and the Province of Nova Scotia. In explaining this reserve the Board says that it is required because of possible contingencies in the future and is based on actuarial tables to show the present value of the amount that will be required to pay compensation in the years to come. The present value of all such payments is set aside out of the assessments of the year in which the accident occurs, is called a reserve and is invested in bonds. Reserves are created each year, the commissioners state, which must be invested, and the total amount of the reserves and the investments of the Board will increase from year to year until a period is reached when the old claims drop off as rapidly as new claims arise. It is hard work for the Board to convince the manufacturers, or at least all of them, that they are getting their money's worth, but they have to do it and there is no getting away from it.

OPEN IN MONTREAL

Canadian Branch of G. U. Price & Co., Ltd., is Established

The firm of G. U. Price & Co., Ltd., insurance brokers, have opened offices in the Bank of Toronto building, Montreal. This company is associated with G. U. Price & Co., Ltd., London, Eng., who have large and valuable connections in Canada. C. E. Hull and W. B. Robertson have been appointed joint directors, the former to manage the liability and casualty department, and the latter the fire department.

These gentlemen, until recently, have been associated with Irish & Maulson, Ltd., Montreal. Mr. Hull, who is a member of New York bar, is well known in liability circles, and has been in Montreal for about five years. Previous to that time he acted as adjuster in various cities for the Travelers of Hartford. Mr. Robertson has had an extensive training in the fire insurance business in Scotland, and was associated with the London Assurance Co. in Montreal prior to becoming assistant manager of Irish & Maulson. Mr. Robertson is an associate of the Chartered Insurance Institute, and is well known locally, being secretary of the Montreal Assurance association.

BEGIN PROBE OF COST OF LIVING AT THE SOURCE

Protest Against Casting Burden on Manufacturer and Retailer

FEW "VULGAR" PROFITS

Majority Did Not Receive Excessive Returns—Business Men at Ottawa to Meet Business Men

By **F. W. STEWART,**
General Manager, Cluett, Peabody of Canada, Limited

There are grave possibilities resting upon men who hold our positions to-day, men who are at the head of manufacturing companies and those who are at the heads of departments and who have charge of employees. To be worthy of the positions we hold, we must, by our lives and by our work, gain and retain the confidence and co-operation of our employees. I believe that the whole situation can be summed up in three words: confidence, co-operation and justice.

I am convinced that 95 per cent. of reputable employers give every consideration possible to their employees. They realize that the interests of their employees are their own interests; that happy and contented employees mean satisfied employees, and satisfied employees mean larger production and higher quality goods.

We must realize that the wages of employees must be in keeping with the cost of living. We must not forget that the food and clothing of the wage earner costs the same as that of those with large incomes or of independent means. We must not overlook the fact that as the purchasing power of the dollar decreases wages must be increased.

The heads of families must have sufficient income to feed and clothe their families properly and to allow them to so educate their children that they will grow up to be clean, good living, desirable citizens. The point to consider is where are wages going to stop if the cost of living keeps on rising?

Cost of Production

To adjust the cost of living, we must begin our investigation as to the cost of production at the source of production. The source of production of most commodities goes back to the land or the farm. Follow it up from the farmer at a fair price to him, through the different stages of manufacturing to the middleman or retailer, on to the consumer, allowing each a fair merchandising margin of profit, and the consumer will receive 100 cents of value for $1.

Raw Material Three Times Up

So long as wheat is $2.25 to $2.50 per bushel, 2½ to 3 times the normal price, cotton 35c per pound, 3 times the normal price; wool 3 times the normal price, and most of the other necessities from the farm on the same basis, just so long will the high cost of living continue, or as these products pass through each stage of manufacture they must carry their per cent. of cost of manufacture and profit, and by the time the consumer is reached the price appears to be inflated beyond the proper level, and so creates wrong impressions in the eyes of the consumer.

In quoting the prices of products of the farm, I do not mean that they are more than the farmers should receive, that should be decided by proper authorities. I have always felt that the farmers normally receive small returns for the work they do, the responsibilities they have and the risks they take. I want to see the farmer secure the return for his labors to which he is entitled. All honor to the farmer and the work he is doing, but I do submit that it is unfair and not in the interests of our respective countries, that the cause of the high cost of living should be laid at the door of the manufacturer and the retailer. If an investigation by the right methods is to be made into the causes of the high cost of living, let it begin at the source, not at the middle or the end.

When Profits Must be Higher

It is natural that profits made during a period of rising prices should be higher than during times of staple or steady prices.

It would be poor merchandising if a manufacturer or merchant did not create reserves in his business during the rising price period to enable him to meet the losses he will incur when the prices begin to fall, as they surely will some day, when his profits will be less than during normal periods.

The profits shown by some companies are absolutely vulgar, but I am prepared to say that these are the exception. Companies which show not more than 10 per cent. upon their volume of business during normal times, and not more than 20 per cent. under conditions of rising prices, cannot be accused of making excessive profits, and I believe that there are very few manufacturers or retailers who are exceeding or even equalling these per cents of profits on their volume of sales.

I do not know of many manufacturers or retailers who are making fortunes during a period of 1, 2, 3 or 5 years. We read quite frequently, however, of Western farmers who have amassed fortunes in 1 to 2 years. Many of them can afford to spend six months of every years in British Columbia or California. It is the exception to know of a manufacturer or retailer who can afford to do this. Long may the farmer be able to continue to do so.

Detrimental Legislation

We have every opportunity of having prosperous times in Canada during the next few years, if the Government is wise in the preventing of legislation which will be detrimental to farming or industrial conditions. The farmer must co-operate with the business man, and the business man with the farmer. We must both consider the interests of the other if we are to secure the best results for the development of our country.

The United States and Canada cannot be entirely manufacturing or farming countries. Each is necessary to the other to continue to keep them great and growing countries. We need more business men in our parliaments and less lawyers.

Business Men at Ottawa

When business men go to the Government to discuss business matters there should be business men to meet them, no lawyers or doctors or other professional men who are not conversant with business methods.

We, as business men and employers, must do our part to bring about and maintain desirable industrial conditions in our respective countries. We should try to make better citizens of ourselves and of our employees, and in so doing, we will be doing our duty to the community.

There is one phrase or caption which I would very much like to see eliminated in our conversation, in our addresses and in our newspapers. It is the two words, "capital" and "labor." These should be replaced with the two words, "employer" and "employee." The term capital and labor tends to create distance between employer and employee. It implies men of large means and men of small means, a gap which is too large to bridge over and bring the two groups together.

The words "employer" and "employee" have the tendency to bring both closer together, to allow of a better understanding between them.

By all means let us use the terms which will help to the greatest extent in promoting harmony between employers and employees. We must have unity of purpose between employer and employee. Unity of purpose can be brought about by service, co-operation and justice on the part of both employer and employee, and upon us as responsible business men in our several communities we must do all in our power to bring about these conditions, and when we have helped bring industrial conditions to where they should be, we may feel that we have helped in a man's work. Therefore, let us strive to do a man's work.

EDMONTON UTILITIES

For First Five Months of Year Gain in Surplus Recorded

City of Edmonton public utilities continue to make an improved showing. For the month of May, the combined utilities earned a net surplus of $2,345, against a net deficit for May, 1918, of $3,549. For the first five months of the year, the showing is as follows, after deducting all charges including depreciation:

	1919.	1917.
Electric light (surplus)	$66,056	$54,131
Telephone (surplus) ..	21,356	13,845
Waterworks (surplus)..	14,246	10,746
Street railway (def.)...	39,426	44,914
Net surplus	$62,233	$33,809

FUNDS ACCUMULATE

Bond House Refers to the Way Bank Deposits are Increasing

In sending out their July investment bulletin, Wood Gundy & Co. remark on the steady accumulation of funds in Canada. "During the month of May the savings deposits in our banks increased by $37,000,000, somewhat over $1,000,000 a day, and during the year ending June 1, savings deposits increased by $160,000,000; this in the face of Victory Loan subscriptions of nearly $700,000,000 made and paid for during this period, as well as many large provincial and city issues. Under these conditions it is not surprising that the market is becoming rather bare of high grade securities."

We Offer

$25,000

HOWARD SMITH PAPER MILLS

6% Bonds

Due 1934

Price 95.25 to yield 6½%

Full Particulars on request

NESBITT, THOMSON & COMPANY, LIMITED.

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222 St. James St. - Montreal
Mercantile Trust Bldg. Hamilton

July Investments

Security	Yield
DOMINION OF CANADA War Loans, all issues	At market
PROVINCE OF BRITISH COLUMBIA 4½% bonds, due 1st July, 1926	5.35%
PROVINCE OF ALBERTA 4% debenture stock, due 1st Nov., 1922	5.50%
GRAND TRUNK PACIFIC Guaranteed by the Dominion of Canada, 3% bonds, due 1st January, 1962	5.20%
CITY OF TORONTO Guaranteeing Toronto Harbour Commission, 4½% bonds, due 1st September, 1953	5.20%
CITY OF CALGARY 4½ bonds, due 1st October, 1937	5.75%
CITY OF MEDICINE HAT, ALTA. 5% bonds, due 1st January, 1934	5.80%
CANADIAN NORTHERN ALBERTA RY. Guaranteed by Dominion of Canada, 3½% debenture stock, due 4th May, 1960	5.15%
PROVINCE OF SASKATCHEWAN 5% bonds, due 1st October, 1925	5.35%
PROVINCE OF ALBERTA 4½% bonds, due 1st February, 1924	5.38%
CORPORATION OF POINT GREY, B.C. 5% bonds, due 1st August, 1959	5.75%

In addition to the above government and city bonds we also have attractive odd amount bonds of towns and villages.

We invite inquiry and shall be glad to supply full particulars on request.

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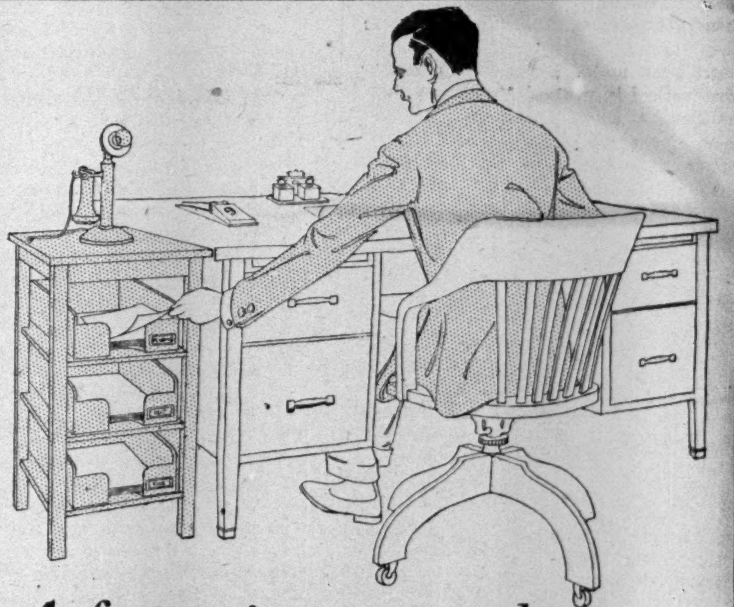

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A BETTER OFFER IN CANADA THAN IN UNITED STATES

Nova Scotia Tramways Offering $1,000,000 of 7 Per Cent. Notes

INTERESTS AMERICAN$

Canadian Bid in Face of Activities of New York and Boston Brokers, and Stone and Webster Connection

By Special Representative

HALIFAX.—The application of the Nova Scotia Tramways and Power Company, made to the Board of Public Utility Commissioners for leave to issue $1,000,000 of three year gold coupon notes, at 7 per cent., is before that body and there is no doubt the permission will be granted. The purpose for which the funds are required is stated by the company in its application to be as follows:

Power house	$147,500
Gas department	79,000
Car barns and cars	221,000
Electric distribution	122,000
Track	452,000
	$1,022,000

Stuart Pratt, the president of the company, in a statement before the Board of Public Utilities, said that in his opinion the money was urgently needed, and it might be that, as the work progressed, other expenditures would also be found necessary. In this connection it is worthy of note that the shareholders, at the special meeting of the company, passed a resolution in favor of the issue of $2,000,000, though only the half of it is to be issued in the meantime. The company was going ahead, Mr. Pratt said, on the assumption that the application would be favorably received. The directors, he said, at meetings in New York and Boston had discussed many plans for financing the improvements. It had become apparent to them that bonds could not be sold at a price to meet approval either to themselves or the Board of Public Utilities. Five per cent. bonds could not be sold at above the rate of 73, and that would be poor financing. A preferred stock issue also seemed inadvisable. Then they turned to the suggestion of a short term issue, a somewhat expensive method in normal conditions, but, he thought, a most desirable way in view of present circumstances. Brokers in New York and Boston, interested in the success of the company, had made every effort and investigation, and it was found that an offer from Canada was better than any from New York, and, in fact, preferable to any other that could be obtained.

There is no doubt that the permission sought will be granted. Meanwhile the company has begun the work on the improvement of the track, which, in some places, was in urgent need of the attention it is receiving. The controlling interests in the company are now those of Stone & Webster, in Boston, and it is as representing them that Mr. Pratt is president of the company.

SOUTHERN CANADA POWER

Good Increase In Net For First Eight Months of Year

The new water power development of the Southern Canada Power Co., at Drummondville, is now in operation with a capacity of 7,000 horse power, and an ultimate capacity of 18,000 horse power. The company reports that the outlook for increasing sales of power are excellent.

The figures for the first eight months of the fiscal year, ending May 31, 1919, indicate that the statement for the full year will run well in advance of last year's. The gross earnings for the eight months amounted to $390,747, as compared with $313,865 one year ago, an increase of $76,881. The operating expenses increased only $34,821, from $173,421 to $208,243, leaving net earnings of $182,504, in place of $140,444, an increase of $42,059.

For May alone the gross earnings rose from $40,612 to $47,098, or $6,485, while operating expenses increased from $22,390 to $26,109, leaving $20,988 or $2,766 more than in May, 1918.

The comparative figures for the 8 months and one month are:

	May 1919.	1918.	Increase
Gross	$47,098	$40,612	$6,485
Op. Ex.	26,109	22,390	3,719
Net	$20,988	$18,222	$2,766
8 months ending May 31st, 1919:			
Gross	$390,747	$313,865	$76,881
Op. Ex.	208,243	173,421	34,821
Net	$182,504	$140,444	$42,059

F. N. BURT

There has been a strong market recently for F. N. Burt common, the price moving up to 94, which is the best figure which has prevailed since about the middle of May. The preferred is selling around 95.

OTTAWA STRIKE ILLEGAL

Men Must Return to Work Before Conciliation Proceeds

OTTAWA.—The Board of Conciliation appointed to investigate the wage dispute between the Ottawa Electric Railway Company and its employees will discontinue work, and will not make its report until the strikers return to work and restore normal conditions on the street railway, according to a statement made by Senator Gideon Robertson, Minister of Labor.

This stand on the part of the Department of Labor was taken following the meeting of the Privy Council yesterday afternoon.

The decision was taken in view of the fact that the strike is illegal under the Lemieux Act, which clearly states neither side shall declare a strike or a lockout until a Board of Conciliation has rendered its findings.

TIRE COMPANY'S BOND OFFERING

Million Dollar Issue Of Ames-Holden Tire Company Will be Floated Next Week

A public offering, it is understood, will be made next week of the $1,000,000 issue of the Ames-Holden Tire Co., some particulars of which have already appeared. Since the annual meeting of Ames-Holden-McCready, several names of the directors added to that board have become members of the tire company as well, namely Walter T. Barrie, of Kitchener; Major L. L. Anthes and Wm. Mulock, jr., of Toronto, and Hugo Wellein, Montreal, the treasurer of Ames-Holden-McCready.

Estimates are given this week of the earnings of the tire company as follows: For 1920, $170,000; for 1921, $300,000; for 1922, $500,000. It is noted that since 1912 the number of cars in use has been doubled, approximately, every two years. In 1903 Ontario reported only 220 automobiles; in 1913 the number had risen to 23,700; by 1916 to 54.375; by 1917 to 83,790, and by 1918 to 109,374. Alberta had risen from 3,733 in 1913 to 29,500 in 1918. Saskatchewan was next to Ontario in numbers in 1918 with 47,239 as compared with 4.659 in 1913. Quebec advanced from 5,452 in 1913 to 28,388 in 1918. Between 1914 and 1918 the total number in Canada increased from 67,415 to 269.727.

All this increase is considered as ample evidence of a steady growth in years to come, with the certain demand for an increasing number of tires. Mention is made in the prospectus of the fact that a number of automobile manufacturers have come over and built branch factories in Canada to take care of existing Canadian and export business, all of which will require tires for the machines they turn out.

It is expected that a public issue will be made next week by Greenshields & Co., Thornton Davidson & Co., Ltd., and Nesbitt, Thomson & Co. Interest attaches to the bonus stock terms from the fact that a figure of $25 a share is now being quoted for the common stock.

TORONTO RAILWAY STRIKE IS OVER

But Shareholders' Interests Centre in the Terms of the Settlement

The Toronto Railway strike is over so far as the operation of the cars is concerned. From the standpoint of the shareholders there is still much to be settled, but the fact that the stock has scored a considerable advance during the week would seem to indicate that it is expected that developments will not be unfavorable from their standpoint. Certainly conditions could not be much worse than they have been.

The men have been granted an increase in pay which will wipe out the present profits of the company by a wide margin. It remains then to decide as to who will make up the deficit. In the meantime the books of the company, so foolishly rushed out of the province, are being examined to find its financial status. Whether the company will be required to raise the funds from some other source, the city do so and charge the sum to the bill in the final settlement, or whether an increase in fares will be granted, remains to be seen.

In the meantime interest has been added to the situation by the offer of Manager Fleming to sell out now on the settlement terms of the franchise which expires in 1921. If such a solution could be worked out and the other assets of the company at the same time disposed of to the Hydro Electric Commission, it would clear up a situation which has developed many complications.

Canadian firms have received orders from the Canadian National Railways for 18 new steel sleepers and 9 steel dining-cars.

TOOKE BROS. WIPE OUT ALL ARREARS

Excellent Statement Coming For Year Ending May 31, 1919—Stock Rising

MONTREAL.—The declaration of 3½ per cent. on the preferred stock of Tooke Bros., Limited, clears up all the arrears which have been owing since the first year of the war. The latter part of 1914, and the greater part of 1915, were poor trading years in women's wear and dry goods, and it was well on towards the end of 1915 before there was any material improvement in either line in Canada. Tooke Bros. were struck hard by the slump in orders, and profits declined accordingly. The first time the preferred dividend was passed was for the quarter ending August 31, 1914, and it was July, 1915, before an interim dividend of 1¾ per cent. was declared. The next year, 1916, the regular 7 per cent. was paid, and an additional 1¾ per cent., and the same was done in 1917, and further cut down in 1918, so that the present payment leaves the company clear of all arrears.

The statement for the year ending May 31, 1919, will soon be issued, and it will show a large increase in sales and profits over last year. In this it will reflect the improvement in this line of business shared by the textile companies, and the "converting" concerns, such as Canadian Converters, Tooke's, etc. One year ago the profits were $135,757, and as the regular preferred dividends call for only $45,500, the common will be in a fair way to benefit in a short time. Indeed this improvement has been noted in advance, as usual, as in the last couple of weeks it has advanced from 36 to 42, while the preferred had materially strengthened to 86 by Wednesday.

ASBESTOS CORPORATION

There has been a strong market recently for Asbestos Corporation common, the price being moved as high as 80 prior to the distribution of the 1¼ per cent. dividend. Later there was a decline to around 75. The preferred went down to 83½ from 85 on the distribution of the 1½ per cent. dividend.

TORONTO RAILWAY

Despite the strike conditions which prevailed during the most of the week Toronto Railway stock was strong with the price moving up from 41 to 49.

TO OPEN IN TORONTO

Montreal Brokerage Firm To Take a New Course

McDougall & Cowans, one of the leading brokerage houses of Montreal, announce this week their intention of opening a branch in Toronto, where they have secured quarters on King street west in the building formerly occupied by the Northern Crown Bank. In a few days the Toronto office will be in direct communication with Montreal, and the other branches of the firm at Halifax, St. John, Quebec, Ottawa, Hamilton and Winnipeg. The firm of McDougall & Cowans was established in 1902 in Montreal.

WHALEN PULP BOARD

Other Changes in Board Following Bury's Appointment

By Resident Representative.

The recent appointment of Sir George Bury as president of the Whalen Pulp and Paper Mills has been followed by further changes, the following being added to the board: I. W. Killam, president Royal Securities Corporation; W. N. Hurlbut, of George Mead Company, Dayton, Ohio, and closely associated with the Spanish Pulp and Paper Company, and Alexander Smith, president of Peabody Houghteling and Company of Chicago, who handled the financing of the Abitibi Power and Paper Company. Arrangements have been made for financing which will enable the company to expand largely its export business.

AMES HOLDEN

The market for Ames Holden McCready common has been off considerably this week as compared with the high mark of 53 last week, the price being squeezed down to 47. The preferred was steadier, going back to 94 and above after dropping to 90.

NATIONAL BREWERIES

The remarkable career of National Breweries common stock has continued this week with a new high mark of 184, or over thirty points since last report. In February this stock sold at 15.

ATLANTIC SUGAR

There was a strong market for Atlantic Sugar this week with the preferred selling up as high as 110 and above or about ten points above the level at last report. The common sold up from around 43 to above 50.

5½%—

is the rate we pay for sums of $500 and upwards left with us for fixed periods of 3, 4 or 5 years.

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We wish offerings, particularly
Maritime Province Issues
CORRESPOND WITH
W. F. MAHON & CO. **Halifax**

WINNIPEG ELECTRIC

A few shares of Winnipeg Electric changed hands this week at 45, showing no change from the last previous transactions about the middle of May.

DULUTH-SUPERIOR

For the week ending June 21st gross earnings of the Duluth-Superior Traction Company totalled $37,379, as compared with $34,155 for the corresponding period in the previous year, an increase of $3,223, or 9.4 per cent., while for the first three weeks of the month the earnings at $111,160 showed a gain of $10,344, or 10.3 per cent.

ROBERT SIMPSON

Robert Simpson Company preferred shares, which were sold by Toronto bond houses recently to the extent of $500,000, have quickly taken a position in trading. Although not yet listed, they have been selling as high as 84, though the original issue price only a few days before was 80.

GRAND TRUNK TICKETS VIA OTTAWA

For the convenience of passengers from Toronto and West going to Montreal or beyond, or vice versa, who desire to travel via Ottawa, arrangements have been made with the Canadian National Railways, by which tickets are routed over Canadian National Railways between Toronto and Ottawa and Grand Trunk Railway System between Ottawa and Montreal. Holders of tickets reading via Grand Trunk Railway System between Toronto and Montreal or beyond, may also have their tickets exchanged by the agents of the Grand Trunk at Toronto or Montreal for tickets via Ottawa in connection with the Canadian National Railways.

FIRST ISSUE

SAGUENAY PULP AND POWER COMPANY

$5,500,000.

6½%

SERIAL SECURED GOLD BONDS

Redeemable by series, from July 1st 1921 to July 1st 1934.

SECURITY FOR BONDS:

This issue is secured by **$7,125,000** of the **first mortgage securities** and by **$10,621,000** of the Preferred and Common shares of the following companies, representing the absolute control of same.

CONTROLLED COMPANIES:

THE CHICOUTIMI PULP COMPANY
THE SAGUENAY LIGHT & POWER COMPANY
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THE CHICOUTIMI PORT COMPANY
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THE CHICOUTIMI PULP COMPANY is the largest producer of Wood Pulp in the World.

Denominations: $100, $500, $1,000.

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These bonds are well secured and present an opportunity for permanent investment.

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BIG ADVANCES IN INDUSTRIALS IN SIX MONTHS

List Shows General Movement Since First of Year

REGARDING FAILURE

Opinion Unsettled as to Whether Top of the Movement Has Been Reached, and What May be Expected

The first half of 1919 has seen a marked change in the position of Canadian security markets. Practically all along the line, and particularly in the case of the industrials, there have been material advances. As to whether these have fully discounted the early future there appears to be a difference of opinion. There is a feeling in some quarters that New York has been carried off its feet to some extent in the recent upward rushes and that a high level has also been reached in Canada. Against this is the argument that speculation has not been rampant in Canada as it has in the States, and that even should there be a break in New York it will not have more than a sentimental effect here. This merely emphasizes that there are always two opinions on the market, and investors, the speculative element in particular, have the privilege of taking their choice.

Although the armistice had been signed for some weeks at the beginning of the year the situation was at that time very unsettled. The tendency had been to expect that there would be a depression following the end of the war, with a slump in commodity values which would have a direct bearing upon investments and industrial stocks in particular. For a time there was a tendency for prices to decline and the investment situation felt some depression so far as the more speculative issues were concerned, although there was a steady improvement in the gilt edge department. Then it was realized that, owing to the shortage of world supplies, prices were not likely to decline in the immediate future and were, in fact, more likely to advance. It was then that the investing public began to appreciate the low level of the market and a buying movement commenced which has been responsible for more or less steady advances ever since.

In the following summary, giving late prices compared with quotations at the opening of the year, and the high and low records in the meantime it will be noted that the industrials are practically all materially higher with the exception of some of the war specialties. Bank stocks are also on a higher level, although they had already advanced materially in the period following the signing of the armistice and the first of the year. Utility stocks show some changes in both directions.

	1st Jan. 1919.	30th June. 1919.	High. 1919.	Low. 1919.
Industrials—				
Ames-Holden, c.	26	48	53	26
Do, pfd.	65⅜	93¼	96	65⅜
Asbestos Corp, c	44¼	80	80	44
Do, pfd.	62½	83½	88½	61½
B. C. Fish......	49	53½	54¾	46
F. N. Burt, com.	72	94	94	71
Do, pfd.	92	94	95½	90
Can. Bread, com.	23⅛	20	23½	18
Do, pfd.	85	82	85	82
Can. Cem., com.	65½	68½	71	63
Do, pfd.	95	101	101¾	95
Can. Car, com..	30½	45	47½	28
Do, pfd.	85	98½	99	82
Can. Converters	46¾	56¼	58	45
Can. Cottons, c.	68	81	90	67
Do, pfd.	76	83½	87¾	76
Can. Forgings..	192	186	200	186
Can. Loco., com.	63¾	76	80	60
Do, pfd.	90½	94	94	89½
C. Gen. Elec., c.	104	112	116	101½
City Dairy, com.	48	60	62½	48
Do, pfd.	84	94	94½	84
Cons. Smelters.	22¾	31¼	31¾	18⅞
Dom. Bridge ..	123	107	123	100
Dom. Canners, c	39¼	52⅛	53	34
Do, pfd.	76	90	92	76
Dom. Glass, com	45⅝	60¾	63¼	44½
Do, pfd.	88¾	91½	93¼	88¾
Dom. Iron, pfd..	93½	99	100	93½
Dom. Steel Corp.	62½	68⅝	68⅝	58¾
Dom. Textile, c.	100½	113	119½	100
Do, pfd.	101½	102¼	108	101
Goodwins, com..	10	23	23	10
Do, pfd.	45	60	65	45
Inter. Petroleum	19.50	31.00	32.24	19.25
L. of Woods, c.	164	180	190	157
Lyall Cons.	64	81	82	64
Macdonald, A...	22	34	34⅝	21½
Maple L., com..	137½	166	169½	121¼
Do, pfd.	98¼	107	107	96¼
Mont. Cottons, c	58⅜	67½	72½	58⅜
Do, pfd.	100¼	103	103	100
Monarch Knit, c	50	60	60	50
Do, pfd.	78	90½	92	78
N. S. Steel, com.	66	85	97	48
Do, pfd.	105	112	112	104½
Ogilvie Flour, c.	220	255	260	194
Do, pfd.	106	109	110	106
Ont. Steel Pro, c	27¼	36¾	36¾	27
Penmans, c	77½	93½	95	77½
Do, pfd.	85	91½	93	82¾
Wm A. Rogers, c	25⅛	50	55	25⅛
Do, pfd.	65	*80	80½	65
Russell Motor, c	70	*82	82	68
Do, pfd.	75	90½	94½	70
Sawyer-Mass., c.	12	16	20	8
Do, pfd.	30	55	55	30
Sherwin-W., c..	60	*66	66	60
Do, pfd.	99	102	102	99
Shredded Wh., c	125	*134¾	135	124
Steel of Can., c.	64½	72½	73¾	57½
Do, pfd.	95	98¼	100¾	91½
St. Law. Flour, c	96	109½	113	87½
Do, pfd.	80	*95	97	80
Tooke, com.....	20	43	43	20
Do, pfd.	72¼	85	86	70
Tuckett, com. ..	24½	35	40	22
Do, pfd.	80	90¾	90¾	80
Wabasso	58	85½	88½	58
Woods Mfg., c...	86¼	95	102	86¼
Do., pfd.	86½	87	90	86
N. Breweries, c.	15	167	169	15
Do, pfd.	53	97	99	53
Atlan. Sugar, c.	24½	43	46⅝	19
Do, pfd.	69¾	100¾	100¾	65
Abitibi Paper, c	48	81¼	80	48
Do, pfd.	90¾	108	108	79
Brompton	60	64½	65½	55
H. Smith, com..	65	80	81	65
Do, pfd.	78	95	95	78
Laurentide	197	220	228	192
N. Amer. Pulp.	2⅝	6⅛	8⅛	2½
Riordon Pulp, c	117¼	126	131	117¼
Do, pfd.	94	98	100	94
Span. River, c..	17⅝	42½	42½	17
Do, pfd.	65	102½	109½	63½
Wayagamack ..	54⅞	47	55	46
Utilities—				
Barcelona	12½	10	13¼	9⅝
Brazilian	52¼	59	60	50
Can. Steam., c..	45⅞	50	52¼	41½
Do., pref.	78¾	84⅝	87½	77
C. P. R.........	160	*167½	171¾	160
Detroit United.	94	107½	110	94
Duluth Superior	28	28	32	28
Porto Rico Ry, c	33	26	35	25
Quebec Ry.	18¾	20½	22	16½
Toronto Ry. ...	55	49	55	39
Twin City	39¼	50	58	39
Winnipeg Ry...	45	45	49	35
Bell Telephone.	130	120	133	114
Con. Gas	150	151	152	147½
Mackay, com...	75½	79	82	71½
Do, pfd.	65	67	68	64¼
Mont. L.H. Cons.	88¼	89½	93	84½
Shawinigan	115½	122¼	127½	114½
Banks—				
Commerce	202	204½	215	201
Dominion	210	204	219	199¾
Hamilton	200	184	209	181½
Hochelaga	147	157	157	147
Imperial	203	200	210	197
Merchants	181	199	202½	180
Molsons	179⅞	194	200	179½
Montreal	216	217	225	210
Nova Scotia....	255	275	277	255
Royal	214	216	216	205
Standard	209⅛	214¾	215	204⅜
Toronto	194	199⅛	205	193
Union	161	162	171	157½

*Last previous sale.

ALABAMA TRACTION EARNINGS DECLINE

Result of Decrease in Consumption of Power by War Industries Since November

NEW YORK.—Gross earnings of Alabama Power Co., operating subsidiary, for May, 1919, amounted to $211,173, a decrease of $28,235 as compared with May, 1918. This decrease follows a steady decline in earnings since the signing of the armistice and the consequent falling off in power consumption of war industries, including hydro-electric energy furnished to Government nitrate plants at Sheffield, Ala.

The high point in earnings was reached in November, 1918, when gross amounted to $293,552, an increase of $96,218 over 1917. April, 1919, was the first month in which an actual decrease was shown in comparative earnings.

With the discontinuance of the nitrate plant requirements, the company has begun making connections with prospective consumers who have been demanding power for a long time. As soon as these connections are made the additional business will be reflected in earnings.

In 1917 the company transferred to the Government a dam site on the Tennessee River owned by the Muscle Shoals Hydro-Electric Co., which was found necessary to the projected erection of plants for the production of nitrates from atmospheric nitrogen for war purposes. Alabama Power Co. is in the heart of coal fields, while the nitrate plants are about 90 miles distant.

To provide for immediate needs of the nitrate plants, the Government installed a 45,000 h.p. steam turbo-generator at the Warrior reserve steam plant of Alabama Power Co. and built a 90-mile transmission line of 110,000 volts at a cost of approximately $4,000,000.

The new generator, which is practically a present to the company, is idle at present, but can be used by the company at a nominal rental whenever power demands are in excess of present hydro-electric production.

ILLINOIS TRACTION

The May earnings statement of the Illinois Traction Company shows gross earnings amounting to $1,355,165, against $1,169,809 for the same month in the previous year, an increase of $185,356. Operating expenses amounting to $1,009,777 left net earnings of $345,388, as compared with $320,635, a gain of $24,753. For the five months ending with May gross earnings totalled $6,914,870, an increase of $970,967. Net for the five months amounted to $1,956,607, an increase of $284,902.

PORTO RICO

The Porto Rico Railways Company reports gross earnings for the month of May amounting to $103,225, as compared with $86,829 for the same month in 1918, a gain of $16,396 or 18.8 per cent. Net earnings for May totalled $47,068, against $38,776, a gain of $8,291 or 21.3 per cent. For the first five months of the year the gross totalled $478,777, a gain of $56,823, while net amounting to $177,008, showed a falling-off of $13,192, or 6.9 per cent.

HIGHER COSTS HAVE CUT OUT C.P.R. SURPLUS

Balance From Railway in 1918 Already Lost in First Five Months

GROSS UP, NET DOWN

Decline of $2,700,000 So Far, or $9,196,056 Compared With $11,894,837 — Cost 85.6% Against 80%

Once more, with gross earnings higher than in 1918, net earnings of the Canadian Pacific Railway Company are running lower, as the month of May indicates. With gross earnings of $13,569,411 as compared with $13,314,116 last year, the net fell from $36,87,775 to $3,033,760, or less than in 1916, 1913 and 1912. The percentage of working expenses for the month to gross earnings rose from 72-3 in 1918 to 77.6 in 1919.

Below are given comparative figures for May of 1918 and 1919, and figures for gross and net for the past eight years:

	May, 1919.	May, 1918.	Change.
Gross .	$13,369,411	$13,314,116	+ $255,294
Expen..	10,535,650	9,626,341	+ 909,309
Net	$3,033,760	$3,687,775	— $654,014

May.	Gross.	Net.
1919	$13,569,411	$3,033,760
1918	13,314,116	3,687,775
1917	14,355,149	4,551,719
1916	12,472,167	4,372,282
1915	7,261,496	2,443,002
1914	9,795,928	2,963,011
1913	11,904,679	3,504,030
1912	11,360,421	3,680,515

Taking the first five months of the year it is seen that gross earnings are by far the highest on record, $63,144,993, but the net are by far the lowest in the last eight years, and that back in 1915, when conditions were poor, gross earnings of $35,415,050, or $28,000,000 less than this year, gave $11,223,019 net earnings as compared with $9,196,056 this year. Indeed, so far this year the net earnings are nearly $2,700,000 less than in the corresponding period of last year, so that already an amount equal to the total surplus of last year on railway operating account has been wiped out, so that any further decline that comes in the last seven months in the year ylil mean just that amount the road will have gone behind earning sufficient to pay the dividend.

The Increasing Costs

On a percentage basis it is seen that for the first five months of this year the cost of operation was 85.6% of the gross earnings, compared with slightly under 80 % for the five months of 1918. The figures compare thus:

5 mos—	1919.	1918.	Change.
Gross..	$63,144,993	$59,434,999	+ $3,709,993
Exp...	53,948,936	47,540,162	+ 6,408,774
Net ..	$9,196,056	$11,894,837	— $2,698,780

Five Months.	Gross.	Net.
1919	$63,144,993	$ 9,196,056
1918	59,434,999	11,894,837
1917	57,799,756	17,081,542
1916	51,119,112	15,912,100
1915	35,415,050	11,223,019
1914	44,474,239	11,778,866
1913	54,195,078	15,486,968
1912	49,441,778	14,981,393

The figures for May show the highest gross earnings so far this year of $13,569,411, and with costs down now winter is near, the net earnings are $3,,033,760 compared with $2,088,624 in April; $1,539,044 in March; $981,115 in February, and $1,553,512 in January.

The only possibility of the net being maintained, compared with 1918, for the balance of the year, is a heavy increase in gross earnings.

LONDON STREET RAILWAY

Increased Fares Have Been Temporarily Granted

LONDON.—London will grant increased fares to the street railway company, as requested, until January 1, 1920, when a vote will be taken. This was decided at a special meeting of the City Council to-day, and a by-law will be prepared and passed on Monday evening.

In the meantime the railway company employes will delay the threatened strike and will deal with the company for a raise in pay, absorbing nearly, if not all, the income the extra fares will bring. The question is now definitely out of the hands of the City Council and any trouble which may arise can be only between the employers and employes.

TWIN CITY

The Twin City Rapid Transit Company reports gross earnings for the month of May amounting to $917,102, as compared with $804,783 for the same month in the previous year, an increase of $112,319. Operating expenses as $617,935 were higher by $81,515, while net earnings amounting to $299,166 showed a gain of $30,803. The gross earnings for the first five months of the year totalled $4,417,826, an increase of $378,685, and net earnings at $1,204,117 showed a gain of $137,698.

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ALBERTA'S COAL OUTPUT SHOWS BIG INCREASE

During 1918 Over Six Million Tons of Coal and Coke Produced

317 MINES WORKING

Interesting Statistics About the Industry Are Contained in Report of Chief Inspector of Mines

It has already been noted that during 1918, the Province of Alberta moved into first place among the coal-producing Provinces of the Dominion. This fact is emphasized in the report of the Mines Branch of the Province, which has just been issued. The report, which is the work of John T. Stirling, Chief Inspector of Mines, forms quite a comprehensive document, dealing with many phases of the industry in the Province.

Total output for 1918, amounted to 6,148,620 tons, exceeding that for 1917, by 1,285, 206 tons. It constituted 40.54 per cent. of the whole output of the Dominion. There were 317 mines in operation, 70 of which were opened, nine re-opened and 71 abandoned. The mines in the Peace River District, which were opened in 1916, have been abandoned and no coal was produced in that district during the year. The number of persons employed in mines during December, 1918, was 10,209, an increase of 397 over the number employed the previous year

Widening Markets

Referring to the extension of markets for Alberta coal, Mr. Stirling says:—

"The question of widening the market for Alberta coal has received a great deal of attention during the past year, the result being that the amount of coal produced during 1918 exceeded the amount produced during 1917 by 26.42 per cent. On April 29, 1918, I was appointed Fuel Administrator by the Provincial Government to assist Mr. C. A. Magrath, Fuel Controller for the Dominion of Canada. A considerable amount of advertising was done through newspapers and other publications, and in addition a film, 1,400 feet in length, showing the different operations, was produced, and is at present being shown in different theatres in the Province of Manitoba. Unfortunately the cost of production and freight rates have increased during the last two years to such an extent that it is difficult for Alberta coal to compete satisfactorily against American coal in the Manitoba and Saskatchewan markets. The average cost of production for labor alone, during the twelve months ending May 31, 1918, was $2.07 per ton for domestic run of mine coal and $2.01 per ton for steam run of mine coal as compared with $2.36 per ton for domestic coal and $2.18 per ton for steam coal for the six months ending December 31, 1918. In addition to this the cost of material has also increased to a great extent.

"Although the amount of coal produced during 1918 was considerably in excess of that produced during 1917, this amount only represents approximately 50 per cent. of the possible production in the province with the present development, and if anything is to be done to obtain the Manitoba market by having a decreased cost of production, the first thing to consider is the question of regulating the production in such a way that the coal mines in operation should produce at least 80 per cent. of what they are capable of doing. It is also important that only the best grades of coal which we can produce in the province are shipped into the markets where Alberta coal has to compete with imported coal, and this can only be done by instituting a system of zoning such as has been done in the United States during the last two years. The procedure would, of course, be harmful to the mines producing low grades of fuel, inasmuch as their market would be restricted, but it would undoubtedly be to the benefit of the province as a whole."

Kinds of Coal

Of the total output of 6,148,620 tons, during 1918; 3,035,061 tons was classified as domestic coal; 2,982,334 tons bituminous; 131,225 tons anthracite; 53,462 tons, coal used in coke production; 100,470 tons, briquettes and 32,858 tons coke. In all cases there was an increase over 1917.

The Crow's Nest Pass district, which is the chief producer of bituminous coal, increased its output from 1,193,313 tons in 1917 to 1,601,486 tons in 1918. The Drumbeller District, which leads in the production of domestic coal, increased its output from 660,974 to 881,081 tons. The Lethbridge district, which also produces domestic coal in considerable quantities, was up from 619,850 to 857,092 tons. The anthracite output came exclusively from the Banff district and amounted to 131,225 tons, a gain from 118,717 tons in 1917.

Sales of domestic coal totalled 2,715,138 tons, of which 1,205,419 tons were consumed in the domestic market; 1,091,5444 tons in Saskatchewan; 387,728 tons in Manitoba and smaller quantities in British Columbia, Ontario and the United States. Sales of bituminous coal amounted to 2,812,551 tons, of which 2,219,794 was sold in Alberta.

BIG COAL MINE MAY CLOSE DOWN

Financial Difficulties of Inverness Coal & Railway Co. Occasions Concern

By Special Representative

HALIFAX.—The Inverness Coal and Railway Company, which for some time has been in the hands of a receiver manager, John McGillivary, is now in charge of the Eastern Trust Company in the same capacity. For some time an action has been pending at the suit of the trustee for the bondholders to foreclose the bonds given by the Inverness Railway and Coal Company. The road runs from Point Tupper, C.B., to Inverness, 62 miles, and has been in operation for eighteen years. Many years ago a Mr. Hussey, of Salem, Mass., bought coal areas at Inverness, then called Broad Cove, and later sold them to Switzerland people. Afterwards a railway and coal mine were promoted by Mackenzie and Mann, who were largely interested in the venture.

At the outbreak of the war, default was made in the payment of an issue of bonds of $3,000,000 on the mine and railway. Since then Mr. McGillivary has been receiver, and now that he has resigned the Eastern Trust Company has been appointed receiver and manager in his place. Papers presented to the court show that the receiver has not been able to make both ends meet, so that the question is whether the mine will be shut down at once, the sale the properties had under the foreclosure, or whether some arrangement shall be made to keep the collieries in operation. A motion was before the court for directions, and the Chief Justice suggested that, in view of the large public interests involved that it might be wise to consult the Commissioner of Public Works and Mines. The suggestion was acted on and the Government will be made aware of the situation.

It is strange that this mine should end in such a financial failure, for the production of the mine has increased from 68,000 tons in 1902, to 204,000 tons last year. The maximum production was in 1913, when 294,000 tons were mined. The coal commands in the Halifax market to-day almost $2 a ton more than other Cape Breton coal. The enormous bond issue, the extraordinarily heavy operating expenses and high wages paid to the miners have contributed to bring about the condition that now prevails.

It is a serious situation for the town of Inverness as it is doubtful if the operation of the mine will continue, and in that case the fine town of Inverness will, to a large extent, disappear. The population of the town is about 3,500. It is hoped that the suggestion of the Chief Justice, that the Minister of Railways and the Commissioner of Works and Mines be advised of what will happen to the community in case of a closing down, may result in relief to the district vitally interested.

IMPERIAL OIL

Shareholders of the Imperial Oil Company of Canada held a special meeting at the head office of the company here yesterday and ratified the by-law passed by the directors reducing the par value of the stock from $100 to $25 per share. The decision was unanimous. The stock of the company has been selling at about 450 for some weeks past and it was thought this was unwieldy, and a better distribution would be secured by reducing the par value. The majority of this stock, it is understood, is held in Canada.

CONSOLIDATED SMELTERS

Ore receipts at Trail smelter for the third week of June totalled 5,714 tons, comparing with 3,233 tons a year ago. For the year to date receipts amount to 232,946, against 242,724 for 1918. June figures were as follows:—

	1919.	1918.
1st week	3,661	4,341
2nd week	4,311	3,881
3rd week	5,714	3,233
To date	232,946	242,724

GRANBY CONSOLIDATED

Owing to the continuation of strikes in the Granby district, labor conditions in general and peculiar conditions in the copper industry, the directors of Granby Consolidated Mining, Smelting and Power Company have passed the quarterly dividend of 1¼ per cent. on the stock. The Grand Forks smelter has been closed down, due to a shortage of coke and a strike among the miners in that district.

DAVIDSON

Reporting on progress at Davidson Gold Mines, F. C. Sutherland & Co. state that "aggressive development work at the property continues without abatement. Not only is a winze being sunk on the big ore body down from the 500-foot level, but the sinking of the new shaft has been resumed. The shaft is down to about 580 feet and continues in ore of excellent grade. Results from lateral development at the 500-foot level were excllent—byond the sanguine expectations of the management. Even better results are anticipated from development work at lower levels. This expectation is based on solid reasons. Diamond drills indicated what would be found at 500 feet and they have indicated that richer deposits will be encountered when the ore body is opend up at 600 and 700 ft."

LAKE SUPERIOR TO ARRANGE INTEREST

Will Negotiate Guarantee and Back Bond Interest With British Bankers

PHILADELPHIA.—Wilfrid H. Cunningham, president of the Lake Superior Corporation, will sail for England within the next ten days to hold a conference with London bankers regarding a setlement of his company's guarantee and back interest due on bonds of the Algoma Central and Hudson Bay Railway Company, and the Algoma Central Terminals, Limited. All of the shares of both companies are owned by the Lake Superior Corporation, but the parent company is obligated, through guarantee, for approximately $2,000,000 defaulted interest on the railroad bonds. It is possible that several local directors of the Lake Superior Company will accompany President Cunningham.

Lake Superior Corporation stock is still selling on the local stock exchange at around $20 a share. It has varied little from that figure within the past year while prices for shares of other steel companies, both here and in Canada, have made wide advances. Opinion here is that Lake Superior stock has only been held back because of the delay in straightening out the guarantee and back interest payment question. There have been negotiations, largely through the mails, to effect a settlement, but apparently nothing so far has been accomplished. It is hoped that a direct, personal meeting between officials of the Lake Superior Corporation and representatives of the English holders of the subsidiary railroad bonds will result in an amicable and satisfactory adjustment of the matter.

If an arrangement is reached for adjustment of the Lake Superior obligation it is the expectation here that there will be greatly increased interest and apprecating market valuations for Lake Superior stock.

Reports here are to the effect that Lake Superior's big steel plant, the Algoma Steel Corporation, is extending its facilities so as to produce structural steel up to twenty-three inches, and that a movement is under way on the Toronto Stock Exchange to arouse interest in Lake Superior Stock on that board. As there is a large Canadian interest in Lake Superior such movement is welcomed here.

KERR LAKE

Dealing with the recent production of Kerr Lake Mines, which shows a large falling-off from a year ago, F. C. Sutherland & Co. says: "It is estimated that the company, which ends its fiscal year in August 31st next, will show gross earnings of about $1,600,000, as against $2,122,000 last year. Profits from this should work out at $1,200,000 as against $1,675,000 a year ago. This is equal to 40 per cent. on the capital stock as against 58 per cent. a year ago. While the company evidently can continue to pay dividends at the rate of 20 per cent. per annum, it is noteworthy that revenues are greatly reduced. Not only is this so, but revenues have been maintained at the present rate at the expense of ore reserves. In 1916 ore reserves were 3,827,000 ounces, in 1917 they were 3,120,000 ounces and at the end of the 1918 year 1,637,000 ounces. When it is considered that in 1912 are reserves amounted to 6,660,000 ounces, the relatively weak physical condition of the mine is obvious.

LAKE SHORE

May production of the Lake Shore Mines amounted to $42,136. The mill ran 93.2 per cent. of the possible running time, reducing 1,750 tons of ore. An average of $24.08 was recovered for each ton of ore treated.

NIPISSING

According to the Investor and Trader of New York, preparations are being made to explore shaft 22, which has not been worked in eleven years. The shaft is being dewatered. "At present best results at Nipissing are being obtained in tunnel 96, where veins 99 and 109 are showing high-grade ore assaying $5,000 a ton. During the course of development of high-grade veins, low-grade ore and country rock of commercial value are being continually encountered. Prevailing prices for silver make the milling of the latter profitable. It is learned on good authority, in connection with current rumors cannecting Nipissing with various mining enterprises, that for more than a year engineering experts for the company have been examining mining properties throughout the country. Nipissing is desirous, it is said, of extending its holdings, but to date has found no properties whose offered sale price conformed with the company experts' valuation."

DIVIDENDS

Company—	Date	Rate, %	Record
Can. Car, pfd.	July 10	1¾	June 26
Shawinigan, com.	July 10	1¾	June 27
Hill-Colliers, com.	July 15	1	June 30
Do, pfd.	July 15	1¾	June 30
Maple L'f M., com.	July 18	3	July 3
Do, pfd	July 18	1¾	July 3
Tuckett Tob., pfd.	July 15	1¾	June 30
Dom. Textile, pfd.	July 15	1¾	June 30
London Loan	July 15	1¾	June 15
Bell Telephone	July 15	2	June 30
Asbestos, com.	July 15	1¼	July 1
Do, pfd.	July 15	1½	July 1
N. S. Steel, com.	July 15	1¼	June 30
Do, pfd.	July 15	2	June 30
Can. Cement, com.	July 16	1½	June 30
Dom. Linens, pfd.	July 15	3½	June 30
Loew's Theatre, pf.	July 15	1¾	June 30
Do., Ham., pfd.	July 15	1¾	June 30
Am. Cyanide, pfd.	July 10	3	June 30
Provincial Bank.	July ..	2	June 16
Nipissing Mines.	July 12	5+5	June 30
Lyall Cons.	July 10	2	June 30
Bank Nationale	Aug. 1	2½	July 15
Imp. Bank	Aug. 1	3	July 17
Steel of Can., com.	Aug. 1	1½	July 10
Do, pfd.	Aug. 1	1¾	July 10
Standard Bank	Aug. 1	¾	July 19

UNLISTED SECURITIES

	Bid	Ask
Abitibi, com.	79.00	81.00
Alta. Pac. Grain, pref.	87.00	94.00
Arena Bonds	.....	80.00
Belding Paul, pref.	90.00	95.00
Can. Fairbanks, pref	86.50	91.50
Can. Machinery, com.	22.00	24.50
Do., 6's	79.00	83.25
Can. Mortgage, xd	67.00	73.50
Can. Oil, com.	44.00	48.00
Can. Westinghouse	116.00	130.00
Cockshutt Plow, pref.	80.00	89.00
D. I. and S., 5's (1939)	82.00	85.00
Dom. Power, com.	45.00	55.00
Dunlop Tire, 6's	99.00	102.00
Eastern Car, 6's	91.50	96.00
Home Bank	89.00	96.00
Int. Milling, pref.	88.00	.....
Lambton Golf	.....	470.00
Maritime Coal, com.	11.00	15.00
Matthews-Laing, 6's	98.00	.....
Mex. North. Power, 5's	10.00	15.00
Morrow Screw, 6's	87.00	93.00
Ontario Pulp, 6's	96.00	.....
Scarboro Golf	45.00	75.00
Sterling Bank	105.00	117.00
Sterling Coal, com.	15.25	16.50
Toronto Paper, 6's	86.50	93.50
T. and Y. Rad., 5's (1919)	98.75	100.00
Trusts and Guarantee xd	83.00	89.00
Volcanic Oil	77.00	83.50
West. Assurance	11.00	.....
N. Amer. Pulp	6.00	6.25
Steel & Rad., com.	18.00	22.00
Do., pref.	.....	65.00

City of St. Boniface

Notice to Holders of % Treasury Notes of the City of St. Boniface, due July 2nd, 1920.

TREASURY Notes of the City of St. Boniface Nos. 1 to 100 under bylaw 1128 and Nos. 1 to 100 under bylaw 1129, in each case due 2nd day of July 1920, will be redeemed at the rate of 99.80 if presented for payment at Toronto, Ont., Montreal, Que., or Winnipeg or St. Boniface, Man., on or after July 1st, 1919.

JOS. C. DUSSAULT,
Treasurer.

Canadian Car and Foundry Company, Limited

SIX PER CENT. FIRST MORTGAGE BONDS

UNDER the Sinking Fund provisions of the Trust Deed executed in favor of the Royal Trust Company on 1st December, 1909, the Canadian Car & Foundry Company, Limited, is to pay to the Royal Trust Company on 1st July, 1919, the sume of One Hundred and Seventy-four Thousand Six Hundred and Forty-four Dollars and Forty Cents ($174,644.40) to be invested in the purchase of outstanding Bonds secured by the said Trust Deed.

Tenders from holders of these bonds will be received by the Royal Trust Company, Montreal, up to Friday, 1st August, 1919.

The right is reserved to reject any or all tenders.

THE ROYAL TRUST COMPANY,
TRUSTEE,
A. E. Holt, Manager.
105 St. James Street, Montreal.

Marcus Loew's Theatres Limited

NOTICE is hereby given that a dividend at the rate of 1¾ per cent. for the quarter ending 30th June, 1919, being at the rate of 7 per cent. per annum on the Preference and Common Stock of the Company, has been declared payable on the 15th day of July, 1919, to shareholders of record on the 30th June, 1919.

By Order of the Board.

SAMUEL D. FOWLER,
Secretary.
Toronto, 30th June, 1919.

WE OFFER TO SELL
$140,000 5% Bonds
in denomination of $1,000

Town of Montreal-East
Maturing 1951

Interest payable semi-annually on the 1st of May and November.

Price and Circular on demand

Credit-Canada Limitee
Bankers. est. 1910
145 St. James St. MONTREAL

MINES — TIMBER

This Company maintains a special department for the investigation of development propositions in Western Canada, and only those of sterling merit are commended to the consideration of our clients.

LOUGHEED & TAYLOR, Limited
Government, Provincial, Municipal and School Bonds
Galgary, Canada

Nova Scotia Steel & Coal Co., Ltd.

DIVIDEND NOTICE.

A DIVIDEND of two per cent. (2%) on the Preferred Stock and one and one-quarter per cent. (1¼%) on the Ordinary Stock of the Company for quarter ending June 30th, 1919, has been declared payable on the 15th of July, 1919, to Shareholders of record at the close of business on June 30th, 1919.

By Order of the Board.

THOMAS GREEN,
Cashier.
New Glasgow, N.S., June 20th, 1919.

Dominion Textile Company, Limited

NOTICE OF DIVIDEND

A DIVIDEND of one and three-quarter per cent. (1¾%) on the Preferred Stock of the DOMINION TETILE COMPANY, LIMITED, has been declared for the quarter ending 30th JUNE, 1919, payable July 15th to shareholders of record JUNE 30th, 1919.

By Order of the Board.

JAS. H. WEBB,
Secretary-Treasurer.
Montreal, 4th June, 1919.

The Merchants Bank Of Canada

QUARTERLY DIVIDEND

NOTICE is hereby given that a dividend of Three Per Cent. for the current quarter, being at the rate of Twelve Per Cent. per annum, upon the Paid-up Capital Stock of this Institution, has been declared, and will be payable at its Banking House in this city and its Branches, on and after the 1st day of August next to Shareholders of record at the close of business on the 15th day of July.

As regards new stock paid up subsequent to 15th May, in full or in part, the rate of Three Per Cent. for the current quarter (or twelve per cent. per annum) will apply proportionally from the dates upon which payments were made.

By Order of the Board.

D. C. MACAROW,
General Manager.
Montreal, 26th June, 1919.

Route Your Shipments
CANADIAN NATIONAL

The great financier, De Morgan, said, "There is nothing in the commercial world which approaches even remotely the security of a well-established life insurance office."

One of the strongest companies in Canada is

THE DOMINION LIFE ASSURANCE COMPANY

with its long record of steady growth and splendid returns to policyholders.

Write for specimens of Actual Results.

Head Office - Waterloo, Ont.

MONEY BANKING AND EXCHANGE

WESTERN CITIES SHOW LOWER BANK RETURNS

In the East the Gain is 4.2% —Decline in West 5.9%

DOMINION GAIN 1.8%

Seven Cities Out of Twenty-five Show Smaller Returns—Kitchener Reports Gain of 32.1%—Toronto 2.2%

Returns of bank clearings for the week ending Thursday last show a total for the various points throughout the Dominion of $272,204,293, a gain of $4,848,134 over the figures for the corresponding period in the previous year. In the East three cities out of twelve cities reporting show a falling off, the total for the week being $211,283,022, a gain of $8,653,878, or 4.2 per cent. Montreal shows an increase of $3,183,546, while Toronto shows a gain of $1,578,279. Kitchener shows the largest percentage gain of 32.1 per cent. In the West four cities show lower returns. Winnipeg declines 16 per cent., and Vancouver 1.6 per cent. The total for the West is $60,921,271, a decline of $3,805,744. Following are comparative figures:

WEEKLY BANK CLEARINGS
(In comparison with same week last year.)

Eastern Cities	July 3, 1919	Change	%
Montreal	$ 106,761,149+	$ 3,183,546	2.9
Toronto	71,479,825+	1,578,279	2.2
Ottawa	7,751,330+	868,312	12.6
Hamilton	5,768,759+	1,040,641	22.0
Quebec	5,640,479+	991,846	21.3
Halifax	5,079,816+	792,529	18.5
London	3,162,938+	190,068	6.4
St. John	2,501,159+	77,795	3.2
Brantford ...	990,136—	25,812	2.5
Peterboro	640,197—	137,442	17.8
Sherbrooke	726,719—	95,789	11.6
Kitchener	780,515+	189,905	32.1
Total, East. ..	$ 211,283,022+	$ 8,653,878	4.2
Windsor	1,506,970		
Western Cities	**July 3, 1919**	**Change**	**%**
Winnipeg	$ 29,603,959—	$ 5,637,049	16.0
Vancouver ...	10,075,247—	173,525	1.6
Calgary	6,390,472+	856,131	15.4
Edmonton	3,409,538+	531,328	18.4
Victoria	2,408,078+	466,966	24.0
Regina	3,301,668+	35,864	1.0
Saskatoon.....	1,673,656+	78,248	4.9
Moose Jaw ...	1,341,822+	129,256	10.6
Ft. William ..	620,852—	136,656	18.0
Brandon	563,357+	9,511	1.7
Lethbridge ...	659,833—	155,697	21.7
N. Westminster	564,816+	95,208	20.7
Medicine Hat .	407,973+	94,681	30.2
Total West. ..	$ 60,921,271+	$ 3,805,744	5.9
Grand Total ..	$ 272,204,293+	$ 4,848,134	1.8
Yr. to date...	$6,900,268,214+	$746,217,791	12.1
Prince Albert .	352,940		

MONTHLY BANK CLEARINGS
(In comparison with same month last year.)

Eastern Cities	June, 1919	Change	%
Montreal	$ 549,038,173+	$132,916,115	31.9
Toronto	344,708,342+	43,200,832	14.3
Ottawa	39,839,758+	6,905,501	20.9
Hamilton	24,774,871+	3,735,105	17.7
Quebec	23,178,314+	4,645,329	25.1
Halifax	20,352,344—	3,397,914	14.3
London	13,113,791+	2,494,249	23.5
Peterboro	3,287,961+	673,984	25.8
Sherbrooke ...	4,085,469+	892,974	27.9
Kitchener	4,166,114+	1,466,321	54.5
Total, East. ..	$1,026,545,137+	$193,532,496	23.2
Western Cities	**June, 1919**	**Change**	**%**
Winnipeg	$ 151,400,638—	$ 12,366,037	7.5
Vancouver ...	44,846,525+	958,961	2.1
Edmonton ...	16,070,379+	3,202,897	25.0
Victoria	9,540,495+	1,560,203	19.5
Regina	16,326,886+	2,763,634	20.4
Saskatoon	8,369,371+	1,250,803	17.5
Moose Jaw ..	6,567,372+	1,243,887	23.3
Ft. William ..	3,157,056+	325,739	11.5
Brandon	2,547,912+	246,640	10.7
Lethbridge ...	2,963,861—	211,655	6.6
N. Westminster	2,260,823+	468,463	26.1
Medicine Hat..	2,197,624+	378,903	20.9
Total, West...	$ 266,248,942—	$ 177,562	0.06
Grand Total ..	$1,292,794,079+	$193,354,934	17.5

TORONTO

Orval Bowles, of the Bradford branch of the Bank of Toronto, has been transferred to the branch at Barrie and will be succeeded at Bradford by L. K. Montgomery, of Markdale.

R. J. Tobey, formerly accountant of the Kitchener branch of the Bank of Toronto, has been transferred from London to the managership of the Waterloo branch.

Major D. McLennan, who saw 18 months' active service, and who for nine years has been manager of the Galt branch of the Bank of Toronto, has been transferred to the managership of the Brantford branch. P. J. Wright, of the Waterloo branch, succeeds him.

COMMERCE

A branch of the Canadian Bank of Commerce has been opened at Georgetown, P.E.I., in charge of A. G. MacGregor.

UNION

D. R. Meston has been appointed acting manager of the Union Bank of Canada at New Dundee, Ont., succeeding G. H. Heald, transferred to Canfield.

E. J. Schilling, formerly in the Foreign Department at Toronto and latterly attached to the New York agency, has transferred to the Park-Union Foreign Banking Corporation, and will be in the San Francisco branch. Mr. Schilling, prior to entering the service of the Union Bank of Canada in 1915, had had extensive international banking experience with the American Express Co.

R. R. Harper has been appointed teller-accountant in charge at the Cessford, Alta., branch and L. Tosh, teller-accountant in charge at Pollockville, Alta.

STANDARD

A. R. Campell, teller of the Colborne branch of the Standard Bank, has been transferred to the branch at Lethbridge.

L. E. Hand, who has been manager of the Richmond Hill branch of the Standard Bank, for the past eight and a half years, has been appointed to a similar position at the Dovercourt Road, Toronto, branch.

HOCHELAGA

The Banque d'Hochelaga, to meet the present high cost of living, has decided to grant its staff a bonus of 5 per cent. on the amount of the annual salary, applicable to the last six months of 1919. This is equivalent to an increase of 10 per cent. per annum and represents an additional expenditure of $52,000. On January 1st, 1919, the bank had already increased the salaries of its staff by an amount of $120,000—making a total increase for 1919 of $172,000.

MOLSONS

Mr. Graybill, teller at the Waterloo branch of the Molsons Bank, has been transferred to Toronto.

IMPERIAL

The Imperial Bank has opened a new branch at Creston, B.C., also a sub-branch at Michel, B.C.

ROYAL

A circular issued by General Manager C. E. Neill, of the Royal Bank of Canada, announces the organization of The Royal Bank of Canada (France), which will conduct a general banking business at 28 Rue du Quatre-Septembre. William Warren has been appointed manager and N. G. Hart, assistant manager.

MONTREAL

The Bank of Montreal announces the opening of a branch at Chicoutimi, Que., under the management of J. O. Fontaine, with the title of acting manager.

BANK BRANCHES

According to Houston's Bank Directory for June, at the end of May there were 4,062 branches of the Canadian chartered banks, of which 3,925 were located in Canada. In Ontario there were 1,301; Quebec 987; Nova Scotia 141; New Brunswick 95; Prince Edward Island 32; Manitoba 274; Alberta 355; Saskatchewan 553; British Columbia 184; Yukon 3; Newfoundland 34, and elsewhere 103.

BANK STOCK CHANGES

	Last June 26	Sales July 3	Ch'ge.
Commerce	204	204½	+ ½
Dominion	199¾	205	+ 5¼
Hamilton	184	184	....
Imperial	200	200	....
Merchants	198	199	+ 1
Montreal	217	217	....
Nova Scotia	273	275	+ 2
Royal	214	216	+ 2
Toronto	199¾	198	— 1¾
Union	162	162	....

AN ENGLISH BOARD FOR UNION BANK

Policy of Local Committees at Important Centres Being Consistently Followed

The decision of the Union Bank of Canada to continue its policy of hava London, Eng., advisory committee foreshadows a strengthening of its position in England. This week formal announcement was made of the appointment of A. E. Harris, C. W. Small, J. C. Blair, and Sir Keith Price as members of an advisory committee in association with F. W. Ashe, assistant general manager, resident in London, Eng.

The appointment of these eminent men considerably strengthens the position of the Union Bank in London. The London advisory committee now has an entirely new personnel. For more than a year meetings of the Union Bank's London council have been suspended, owing to the resignation after seven years' tenure of office of the former chairman, Col. Leigh-Wood, C.M.G., owing to ill-health, and of the Hon. Sidney Peel, owing to military service.

The Union Bank of Canada has adopted a consistent policy of having advisory committees at several important centres. The New York committee, since the opening of the New York agency, has been composed of Brigadier-General Cornelius Vanderbilt, Stuyvesant Fish and Gilbert Thorne, all three prominent in financial and banking, not only in New York city, but throughout the United States.

FUNDS AGAIN SHOW STRENGTH

Sold as High as 3 3-32% Premium to the Seller During the Week

There has been little indication of weakness in the market for New York funds this week, though towards the close there were evidences that the demand had been pretty well filled up. The supply meanwhile is not much improved. Some speculation is heard as to the possible effect of the approaching Canadian loan in the United States on the rate for funds. It is estimated that about $25,000,000 of the 1917 issue is held in Canada, which should produce about that amount in New York funds. This amount, however, is scarcely large enough to have any very marked effect on the rate, though it will undoubtedly serve to soften it somewhat. Following has been the trend of the market:

June 27.—Funds sold at 3 1-32 per cent. to the seller.

June 27.—Funds sold at 3 per cent. to the seller.

June 30—Funds sold at 3 per cent. to the seller, rising to 3 1-32 to both buyer and seller at the close.

July 2—Funds sold at 3 1-16 to the buyer and were 3 5-64 bid at the close.

July 3.—Funds sold at 3⅛ to the buyer and 3 3-32 to the seller.

July 4.—Funds sold at the same rates as on previous days.

The rate for sterling has fluctuated pretty violently during the week and quotations have shown a marked tendency to decline. Opening rates both for sterling and francs have been as follows:

	Sterling		Francs	
	Demand	Cables	Demand	Cables
June 27	.4.59	4.59¾	6.47	6.45
June 28.	4.59¼	4.60	6.45	6.43
June 30.	4.59⅜	4.60	6.44	6.42
July 1.	....	....	....	....
July 2.	4.56	4.56⅞	6.50	6.48
July 3.	4.53	4.54	6.56	6.54
July 4.	....	....	....	....

MONTREAL IN PARIS

French Branch of Big Canadian Bank is Established

MONTREAL.—Concurrent with the signing of the peace terms, the Bank of Montreal, Canada's oldest and premier financial institution, has announced its advent into the French banking field in the opening of its Paris office on Dominion Day.

The French company, with the title of the "Bank of Montreal (France)," will be under the management of a Canadian, W. F. Benson, for some years assistant manager of the bank's office in London, England. H. J. E. Pope will occupy the position of assistant manager. Mr. Benson entered the service of the Bank of Montreal at Halifax in 1898, and since that time has been employed in various offices located in Canada, Newfoundland, and the United States, and latterly at London, England. Mr. Pope is the son of Sir Joseph Pope, Under-Secretary of State, and until recently has been attached to Ottawa, the head office of the bank.

Thornton, Davidson & Company, Limited, Montreal, are offering to accept payments on Government or other bonds, including industrials, according to the plan that was in force in connection with the Victory bonds. They will accept an initial payment of 10 per cent. and the balance in eleven equal monthly payments, covering the period of one year.

WESTERN CROP MIGHT NOT RUN FIFTEEN BUSHELS

Manitoba Good, But Portions of Other Provinces Burned Out

BUSINESS CONDITIONS

Labor Troubles in Mining Country in British Columbia and Alberta—Legislation is Blamed

By Special Correspondent

WINNIPEG.—R. T. Riley, vice-president of the Union Bank of Canada, returned from a tour of the West, told a story of idle miners in the mountains and of rather poor crop prospects in Alberta and Saskatchewan. The labor trouble in the mountains was caused, to a great extent, by legislation of British Columbia, which provided that no men except farmers in that province should work more than eight hours a day. This law was desirable in the case of actual miners, Mr. Riley states, since eight hours is a long enough day for a man in this occupation. There are, however, a considerable number of men in the mines who do nothing but stand by, and the operators were unwilling to pay them for eight hours the same wage that had formerly been paid for the longer day. The law of course really did not apply to Alberta, but the miners in Alberta went out when those in British Columbia went out.

In all the towns in the Crow's Nest area nothing is being done, and all work has been suspended for a month. The only people not affected up to the present are those miners who need coke, such as at the Granby and the Phoenix. With reference to the supply for next winter for the prairies, Mr. Riley says that if operations are soon resumed there will be little difficulty. In any case dealers are never anxious to get in their coal for next winter at this time of year. The later they get it in the better they are pleased. Prices will be higher.

Asked whether the crop would average 15 bushels, Mr. Riley was noncommittal. "Some farmers living between here and Dauphin," he said "reading a statement to the effect that the crop in the whole country would not average above 15 bushels, would scoff. Those farmers would say that the crop was an excellent one, but they have not seen Saskatoon, Swift Current, and Southern Alberta." Mr. Riley said the crop of Southern Alberta would be a light one. The same, he thought, was true of Saskatchewan. "Manitoba has the best of it this year, the crop of this province being good."

For fifty miles north, south-east and west of Saskatoon, Mr. Riley said the crop was the worst he had ever seen. It was a blight. A large farmer near Kerrobert said that he had had no rain since May 1. The crop in Saskatchewan and Alberta has come through well, on the average, but rain had failed and it has turned yellow. In parts of the district about Swift Current and in parts of Southern Alberta, conditions were similar to those in the Saskatoon neighborhood.

"There will be large quantities of wheat in the Prairie Provinces," says Mr. Riley, "but it will not be a bumper crop."

STOCK MARKETS HAVE BROADENED OUT SOMEWHAT

Continued from page 1.

steady production with prospects of expansion, especially in gold mining, in the latter part of the year. Labor troubles in the mining camps are gradually approaching a settlement and the outlook may be regarded as satisfactory.

The U.S. Market

The market letters of United States brokerage houses practically all refer to the effect of high money rates on speculation but continue to comment favorably on general developments. Thus Hayden, Stone & Co. remark:—

Money rates have proved too high a wall for the stock market to jump over, though it keeps trying to do so. So long as this condition continues, not much is to be expected from the stock market, but we do not believe that this period of extreme tension will continue very long. It is, however, going to be a rather more difficult matter from now on to borrow money to buy stocks. Whenever the market shows a tendency to break away, this will be apt to act as a brake. Meantime, it is most gratifying to hear of improved operations in the steel industry; probably May will prove to have been the turning point. It is to be remembered that the market has discounted a very considerable improvement, but we do not think that it has anticipated the operations that may be expected before the end of the year. . .

Until the tension has been relieved in the money market, the stock market will move within narrow limits. We still believe, however, that the activity is on the upward side. Undoubtedly, many stocks have discounted all that may be expected from them from the companies that they represent during this period, but on the other hand we should be surprised if this movement came to an end without a further demonstration in other classes, particularly in the steels and coppers.

J. S. Bache & Co. present a similar view, adding that they believe the curtailment of activity will prove to be a favorable factor.

"The money situation is unfavorable to any large speculative operation and money is under control of the bankers. The result is somewhat like that of a fire which has been banked up. There is a temporary cooling off at the top and a steady, effectual burning underneath. The fires there are very much alive.

As this process of curtailment continues the foundation is apparently strengthening all the time and optimism as to values increasing. Developments in the steel business and in the copper trade are favorable, and in general it may be said that industry is constantly working toward larger volume, with good profits steadily accumulating. The buying power of the country is enormous and will be augmented by the harvest. Increasing tonnage will enlarge the export trade and demand abroad is undoubtedly waiting in great volume for increased tonnage. With prosperity looming, the labor problems are more capable of ultimate satisfactory settlement. The quiet purchasing of carefully selected securities is proceeding and appears to be justified."

Bull Market Over

Referring to the sharp advance in the call money rate which occurred early in June, Spencer Trask & Co. say:—

It is our judgment that the bull movement is over for the present, and will not be resumed until much that is now uncertain has been cleared up. We should not be surprised to see activity break out in some special stock or group of stocks, but, taken as a whole, we believe that the market will gradually slow down and become quiet, until at least the two principal problems now facing us have been solved. These two problems are money and peace.

CHANGES DURING THE WEEK

	Last June 26	Sales July 4	Ch'ge.
Ames Holden, com.	50	47	— 3
Asbestos, com.	74	75½	+ 1½
Do., pref.	85	83¾	— 1¼
F. N. Burt, com........	*92	94	+ 2
Can. Cement, com......	69¾	68	— 1¾
Can. Car., com.........	34¾	39	+ 4¼
Do., pref.	92	96	+ 4
Can. Cottons, com......	81	78½	— 2½
Do., pref.	83½	85	+ 1½
Can. Forgings	186	193	+ 1
Dom. Steel	67	69¼	+ 2¼
Dom. Textile, com......	112	114	+ 2
Do., pref.	105	102¼	— 2¾
Goodwins, com.	17	23	+ 6
Lake of Woods, com....	175	180	+ 5
Lyall Cons.	77	80½	+ 3½
N.S. Steel, com........	*84	81¼	— 2½
Ont. Steel, com.	*32	32½	+ 3½
Saw.-Massey, com.	*19	16	— 3
Steel of Can., com......	72¼	74	+ 2
Do., pref.	98½	99¼	+ ¾
Tuckett Tob., pref.	90¾	88	— 2¾
Woods Manfg., pref. ...	87	83¼	— 3¾
Nat. Breweries, com. ..	149	184	+35
Do., pref.	92½	97	+ 4½
Atlantic Sugar, pref.....	100½	107	+ 6½
Do., com.	46¼	51½	+ 5¼
Barcelona	10	9⅞	— ⅛
Detroit Rly.	108	106	— 2
Toronto Rly.	41	48	+ 7
Twin City	*50	54	+ 4
Bell Telephone	119	120	+ 1
Shawinigan	123	121½	— 1½
Laurentide	221	220	— 1
Riordon	125	132½	+ 7½
Span. River, com.......	37	43¼	+ 6¼
Do., pref.	109	106½	— 2½
Wayagamack	46½	47	+ ½

*Last previous sale.

We own and offer
Subject to prior sale

$50,000

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Price to Yield 6½%

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Canadian Security Specialist

35 WALL ST., NEW YORK
PHONE HANOVER 6375

The Standard Bank of Canada

Quarterly Dividend Notice Number 115

A Dividend at the rate of 3¼% for the three months ending 31st July, 1919, has been declared, payable 1st August, 1919, to Shareholders of record as at the 19th of July, 1919.

By Order of the Board,

C. H. EASSON,
General Manager.

Toronto,
June 20th, 1919.

McDougall & Cowans

(Members Montreal Stock Exchange)

93-95 NOTRE DAME STREET WEST, MONTREAL

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The best work in every field is being done by men who specialize, who do one thing so often they learn to do it exceptionally well. That is the kind of service we offer you—service, which the individual executor, who may not handle more than one estate in a lifetime, can not hope to give. Our collective service costs no more than that of the individual. Write for literature.

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YOUR WILL TODAY---

Write your will to-day while you can give it careful consideration and give equal and exact justice to every one who deserves your favor or your support. In planning the best disposition of your assets, do not overlook the advantages of a company specially organized for service as Executor, Trustee, Guardian.

MERCANTILE TRUST COMPANY
of CANADA, Limited

HAMILTON ONTARIO

Cyrus A. Birge, President
S. C. Macdonald, Manager

Major Henry L. Roberts, Vice-President
James Turnbull, Vice-President

IMPERIAL BANK OF CANADA

DIVIDEND NO. 116

NOTICE IS HEREBY GIVEN that a dividend at the rate of twelve per cent. (12%) per annum upon the paid-up Capital Stock of this Institution has been declared for the three months ending 31st July, 1919, and that the same will be payable at the Head Office and Branches on and after Friday, the first day of August next.

The Transfer books will be closed from the 17th to the 31st July, 1919, both days inclusive.

By Order of the Board.

W. MOFFAT,
General Manager.

Toronto, 18th June, 1919.

NEWS AND VIEWS FOR MANAGERS

GOOD-WILL ONE GOLDEN ASSET OF THE BANKER

Should Endeavor to Make the Customer Feel at Home

FRIENDSHIP HELPS

Average Newcomer Likely to Feel Somewhat Awestruck at the Impressive Interiors of Many Branch Banks

In several articles which have appeared in this column I have ventured the suggestion that the branch manager should endeavor to overcome the marble, brass and mahogany impression of the interior of the average bank by getting as intimate as possible with his customers. There can be no doubt but that there are many people—people whose accounts would be valuable—who stand in a certain awe of the bank with its impressive fittings and air of big money and who are rather doubtful if their "widow's mite" would be welcome in such a place. The manager and his staff can, however, easily overcome this impression by going over the counter as it were to meet the customer, particularly the newcomer. The following article by Fred W. Ellsworth, vice-president of a bank in New Orleans, outlines a breezy address on this theme to the members of the Alabama Bankers Association.—J. W. T.

Once upon a time, not so very long ago, there was a bank that had the usual barricade of marble counter surrounding the officers' desks, with a dinky little gate at one end which was kept locked with a concealed contrivance known only to the initiated. Any one desiring to enter into the "Holy of holies," unless he knew the combination, was compelled to wait until some kind soul on the inside of the "stockade" took pity on him and touched the secret button. Now that little inanimate inoffensive gate had no desire to be rude, but by its mere presence, aided and abetted by the hidden lock, it as much as said to every one who came into the institution: "Don't you dare come in here and bother us. We are too busy to see you."

Making the Entryway Wider

One day a customer who had a big balance and lots of courage busted right in through the gate, went straight to the President and translated the language of the gate into plain English. The President saw the point at once, called in a carpenter, and had the gate removed. This left a generous, easy approach to the officers' desks, which said in unmistakable tones: "Come right in folks, and make yourselves at home."

It is rather odd that a little thing like a gate can create "ill will," and that a little event like its removal can create "good will," but such are the facts, nevertheless.

Let's stop right here for a moment and consider just what "good will" is. Our friend, Noah Webster, says that "good will" is "the favor or advantage in the way of custom which a business has acquired beyond the mere value of what it sells, whether due to the personality of those conducting it, the nature of its location, its reputation for skill, promptitude, etc., or any other circumstance incidental to the business and tending to make it permanent." So much for Mr. Webster.

In order to bring this intangible asset a little closer to us, I should like to paraphrase the dictionary definition thus:

"Good will" is a form of genuine popularity which can be translated into profits.

"Good will" is a form of respect or admiration, or even affection which keeps old customers and attracts new ones.

Back in the medieval age of banking—and that was not so far back either—there were many banks that were cold storage plants, and far too many bankers who assumed the same attitude toward customers as does the old-fashioned hotel clerk. Time was, and most of us here can recall it, when to enter a bank was like letting oneself into a cold storage plant, so far as any warm cordiality or human geniality was concerned. Indeed, it is possible even to-day to find an occasional bank that is operated on the 1876 plan and is located just around the corner from the North Pole.

Importance of Personality

Every bank possesses a certain personality which indelibly characterizes it as either an agreeable or disagreeable institution. The manner in which customers are received and taken care of as you all well know enters very largely into the success or failure of a bank.

There are banks—we have all seen them—whose officers are as genial and as cordial as graven images, and the atmosphere of whose offices is as inviting as that of a well kept mausoleum. I am very glad, however, that such banks are not as numerous as they were twenty, or fifteen, or even ten years ago. That very much maligned individual known as "competition" has discovered and developed the quality of courtesy, so that to-day the grouch, and pessimist and the human iceberg have no place in a modern bank.

PERIL IN U.S. HOME LOAN BANKS PLAN

John J. Pulleyn Sees Business of Savings Institutions Threatened

CLEVELAND.—The proposed Federal loan banks would prove dangerous to the mutual savings institutions of America, said John J. Pulleyn, president of the Emigrant Industrial Savings Bank of New York, at the seventieth anniversary dinner of the Society for Savings here to-night. Mr. Pulleyn said:

"The savings banks of America have come through the trying period from 1914 to 1919 safe and sound and stronger in the estimation of the public at large. Severe and unusual tests have been applied during these years, and more than once we were anxious as to the final outcome. We have suffered losses in deposits. We have purchased liberally of the nation's bonds. We have been active distributors of war savings and thrift stamps, but through all our vicissitudes we have gained universal recognition as an indispensable factor to the progress of the country. Our scope of usefulness has been greatly broadened.

"A serious and dangerous matter threatens the business of the mutual savings institutions in the creation of the proposed Federal home loan bank to be formed and used by building and loan associations. The seriousness of this departure is that in many states these associations have sidetracked their home building functions and are in fact veritable savings banks.

"The legislative proposals entirely disregard existing private agencies and would replace them by the Government, many of them vitally affecting savings banks.

The apparent promiscuous use of Government credit for every temporary need and newfangled bureaucratic idea is deplored, particularly at a time when Government credit should be protected in every possible way. If we are going to organize a permanent bureau in Washington whenever a temporary need arises, what kind of a topheavy political structure will exist in Washington?

"The housing situation is a very serious problem, but the problem cannot be solved through the creation of a bureau in Washington, the intention of which is simply to further the work of the socialistic octopus.

"The $5,000,000,000 resources of the mutual savings banks, equal to about one-half of the total demand and time deposits of the 7,688 national banks, present an interest second to none in the nation. Nine million people own this tremendous sum of deposits."

BLAME YOUR BANK

Many People Hide Stinginess Behind A Standard Exeuse

Home Bank Monthly

To many improvident borrowers it must appear that banks are not only stingy in themselves, but are the cause of that stinginess there is in others. The man of business who finds it necessary to decline a personal request for a loan does not do so on his own responsibility—he blames the refusal on his bank. If he is asked to indorse a note; go on a guaranteed bond; exchange cheques "till the morning;" or make a loan on a note, he explains that he is afraid his bank "won't stand for it." There is no discounting the regrets of the man of business who works so close to his bank that he is afraid to divert the smallest amount of money from the accustomed channels of finance.

"If you'll indorse my note the bank will let me have the money," a friend explains.

"Yes, and if I do indorse it," the man of business asserts, "my bank will shut down on me like that,"—and he brings his hands together in a motion calculated to illustrate the slamming down of the hinged lid on an oat bin.

If, as is now contended, the banks are losing in general popularity, a contributory cause may be found in the sympathetic explanations attached to refusals of loans by business men. There is no reason why such a refusal would terminate a friendship that may have existed for years, when a rupture can be avoided by advancing a plausible story of the rigors of established banking practice.

BANK OF ENGLAND

London, July 3.—The weekly statement of the Bank of England shows:—

Total reserve, decrease......	£ 889,000
Circulation, increase	1,640,000
Bullion, increase	757,337
Securities, increase	2,769,000
Public deposits, increase.....	4,513,000
Other deposits, increase.....	29,179,000
Notes reserved, decrease.....	929,000
Government securities, inc...	31,881,000

The proportion of the bank's reserve to liabilities this week is 14.13 per cent.; last week it was 17.71 per cent.

Rate of discount, five per cent.

N.Y. RESERVE BANK USED PRIVATE FUNDS

Chairman Pierre Jay Had to Finance Federal Institution In Early Days

J. F. Curtis, deputy governor and counsel of the New York Federal Reserve Bank, has written an article for the current number of the Federal Reserve Club Magazine, published by employees, giving an account of the early days of the local institution. While most of the facts attending the organization of the bank are pretty well known in the financial district there are some interesting incidents which Mr. Curtis reveals for the first time.

For instance: during the process of organization and before the first payment to the bank by the member banks on account of their reserves or of their subscriptions to the capital stock, there were no funds on hand. As a result of this, for several weeks the operations of the institution were financed wholly out of private funds of Pierre Jay, the chairman of the board and Federal Reserve agent. "Fortunately," says Mr. Curtis, "he did not have to stagger under this burden very long. Naturally, the bank had to pay its first running expenses out of capital, as the income to begin with was very small; in fact for the year and six weeks ending December 31, 1915, income and expenses of the bank were approximately equal, the statement showing there was a deficit for that period of $111.22.

On the opening day (November 16, 1914), the reserves were paid in. From the viewpoint of our present daily transactions, the amount seems trifling, but at the time it was considered a great achievement to have received $100,000,000 from 211 member banks on the first day and to have the tellers report their accounts in balance at 5.30 p.m., and at 8 p.m. to have the first balance sheet of the Federal Reserve Bank of New York mailed to the Federal Reserve Board. Indeed it was quite an achievement when we compare it with the troubles that some of the other reserve banks had, notably in one city where the governor and one of the assistant cashiers sat up most of the night guarding the sacks of gold on the wrong side of the vault door.

As was entirely natural, if not inevitable, the bank did not start on its journey with the complete and wholehearted confidence of the public, or even of all of its member banks. The general attitude, I believe, of many bankers in the district was that the reserve bank and its potentialities were in the class of things often described as "interesting if true" but that it would not have any serious effect upon the banking situation as a whole. There were other views not so friendly, and indeed we were advised by the officers of several national banks, who had been forced to join the system under the law that they considered their investment in the stock of the Federal Reserve Bank as entirely worthless and had written it down to $1 on their books. An entertaining commentary on this view is shown by the annual statement of the bank this year, indicating net earnings of over 100 per cent. on our paid-in capital.

The first business done by the bank was the making of two rediscounts for member banks on the opening day, the honor flag for the first rediscount in the dstrict being awarded to the Chemical National Bank of New York City. At the opening the discount rates established by the bank were fairly high owing to conditions existing at the time. In fact they were higher than they have ever been since, being 5½ per cent. for paper not exceeding sixty days and 6 per cent. for paper of longer maturities. These rates, however, were rapidly lowered so that by December 23, 1914, the rate of thirty-day paper had fallen to 4½ per cent., and by February 3, 1915, to 4 per cent.

Another early activity of the bank was the purchase of municipal warrants issued in anticipation of taxes. The fact was that at the beginning our rediscounts were so few and far between that we had to have some investments in order to keep alive. The first purchase of municipal obligations was on December 31, 1914, when we arranged to purchase from the comptroller of the City of New York $5,000,000 of the city's tax warrants maturing in June, 1915.

CAPE TRINITY
SHOOTING THE RAPIDS
A STREET IN QUEBEC
C S S L

MOST BEAUTIFUL OF ALL BOAT TRIPS

THIS Summer choose for your vacation America's finest boat trip. Board one of our Steamers at Lewiston, Queenston or Toronto for the glorious trip through the Thousand Islands and for the other scenic beauties that are features of the trip we call

"Niagara to the Sea"

After the Thousand Islands, comes the Shooting of the Rapids—an experience in itself worth the price of the whole trip. At the close of another day, Montreal is reached.

On to Quebec City, and to the famous Shrine of St. Anne at St. Anne de Beaupre.

At Murray Bay there is a beautiful Summer Hotel, The Mañoir Richelieu conducted under the same management as the Boats, and another fine Hotel at Tadousac, at the juncture of the St. Lawrence and Saguenay Rivers.

Finally there is the trip up the glorious Saguenay River—a glorious panorama of river scenery, overshadowing in grandeur anything you ever saw in America or Europe.

This glorious outing affords you an opportunity of seeing the most picturesque part of Canada from the deck of a palatial steamer. You will return from such a trip refreshed and invigorated—satisfied, too, that you have had the finest boat trip holiday it would be possible to conceive.

A beautiful trip on beautiful boats—and the rates are reasonable.

Write for our Booklet "Niagara to the Sea," which describes the trip and which reveals by photography something of the beauties of this wonderful vacation.

Tickets and information at any Ticket Office or any office of Canada Steamship Lines, Limited.

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Break the long journey, travel by boat from Sarnia to the "Soo," Pt. Arthur or Duluth. Write for particulars of Upper Lake Cruises through the Great Unsalted Seas.

CANADA STEAMSHIP LINES, Limited

THE FINANCIAL POST

President - - - - - JOHN BAYNE MACLEAN
Manager - - - - - - - GORDON RUTLEDGE
Editor - - - - - - - - - J. W. TYSON

A weekly newspaper, presenting in a popular manner reliable information respecting investments and financial affairs in Canada.

No paid advertising, other than annual reports or official notices of corporations, will be inserted in the news columns unless marked "Advertisements."

Advertising matter is investigated before publication, and none of known questionable character is accepted. Acceptance of advertising will not deter the editorial department from making such comments as the situation may suggest.

No material from news bureau sources submitted for editorial purposes will be published, and no such bureau or individual should be paid any consideration or given any credit for the insertion or inspiration of any item.

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Subscribers are especially requested to report any instance of delay or non-delivery of THE POST.

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THE MACLEAN PUBLISHING COMPANY, LIMITED
143-153 University Avenue, Toronto.
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TORONTO, JULY 5, 1919

WHAT A STRIKE COSTS

STRIKES, which are necessarily accompanied by economic waste, are expensive. The loss in wages, the curtailment of output, the burden of unproductive plant and other overhead charges—these and other indirect costs must all be borne. Labor, recompensed in part for the time lost by strike pay, seems to be satisfied that capital must be bearing a heavier loss and is, therefore, seemingly satisfied. But even though the loss of capital may be proportionately larger the reaction in the last analysis is upon the great mass of the people—the workers directly concerned included.

Thus we find that although the strike is nominally over in Winnipeg, there are consequences which must be faced and these indicate that conditions will be more or less upset for a year. Settling the strike is not settling the problem of the worker who, because of the trouble, finds himself out of a job. This does not only mean those whose places have been filled by other workers, but those who find that largely because of the unsettled general conditions, there is not the work to warrant their employment. A prominent business man in Winnipeg describes the situation there as follows:

> There is little hope of normal conditions this year. This attempted revolution was much too serious to permit of normal conditions in the near future. All classes of enterprise here have received a blow from which recovery will b slow. Much construction work, particularly the program of the railroads, which was to have been undertaken this year, has been abandoned.

It becomes emphatically evident, therefore, that labor just as much, or even more than capital, stands to gain by a settlement of wage and other disputes without resorting to a strike. Unfortunately, under the present disturbed conditions, the worker seems to feel that he cannot get justice without striking. The conciliation method is regarded as too mild for such strenuous times. Capital is distrusted. For this the employer as a class is to blame as well as the employee. Their interests lie in the same direction. There are mutual advantages in co-operation. And it is up to the employer to make the advances which will lead to better relations. He cannot expect the worker to understand and appreciate his problems if he does not take steps to put them before him intelligently.

ADVERTISING AND TRADE DEVELOPMENT

ADVERTISING as a factor in the development of British trade in the Canadian market is dealt with in an important way in the annual report on the Trade of Canada and Newfoundland by F. W. Fields, H. M. Commissioner at Toronto. Particular emphasis is laid upon the trade and technical publications as media for effective publicity.

Mr. Field refers to the energetic and enterprising campaigns of the American manufacturers seeking Canadian business and advises the Britishers who would get in on this business to do likewise. He contrasts methods by referring to the different character of the "copy" used in many trade journals and suggests the adoption of up-to-the-minute ideas in publicity. His report in this connection concludes:

> The manufacturers of this continent looked upon advertising in the daily, weekly, monthly, trade and technical press as a first-class investment. While this may be the same in the United Kingdom, the policy of the United Kingdom firms, so far as advertising and publicity in this market is concerned, is, generally speaking, weak. Yet, with the keen competition to be met in all lines and in a market which buys largely the goods for which publicity has helped to create a demand, it is necessary to have a continually favorable atmosphere to assist the salesman. Spasmodic advertising is of little value. A well prepared and properly conducted campaign, occupying a long period, then to be renewed, gives the greatest service. This market lacks the favorable publicity atmosphere which our competitors have here and a change in this condition is a matter of great importance.

Mr. Field has had a lengthy experience in the journalistic field and his thorough knowledge of the psychology of publicity lends weight to his recommendations regarding advertising.

CRITICISM OF COULTER JUSTIFIED

A DESPATCH published in an Ontario paper says:

> Lawrence Pickup, representative of the Winnipeg Postal Workers' Union, at the meeting said that the postal workers had joined the strikers because the Federal Post Office Department had not kept their promise to improve service conditions. Mr. Pickup said the union "did not blame the Cabinet members so much as it blamed the 'high-ups' in the Post Office Department."

For some years THE FINANCIAL POST has been showing how fearfully mismanaged was our P. O. Department—the greatest business organization in Canada—because Sir William Mulock, when P.M.G., had made a small local politician in his riding the general manager of this great department. Dr. Coulter, who had had no postal experience and not even a business experience, was given the highest position in the service over the heads of capable, long-experienced men in the Department. If he had had enough common sense to keep quiet and draw his reward for his party services it would not have been so bad, but the appointment turned his head and he issued order after order which no experienced official would have thought of doing. The result was confusion and chaos, followed by explanations. Then these explanations had to be explained and finally wiped out.

Then came the big postal strike last year upsetting the business and social life of the whole country. At that time the leaders stated that Coulter was responsible because of his neglect. Once more the strikers blame the "high-ups," and the man at the top is Dr. Coulter.

Just before the war demands on the public were made for higher postal rates to meet the increasing costs—costs which those who looked into the accounts said were due to mal-administration of the postal affairs.

Party rewards have cost this country hundreds of millions in outlays and wastes. How can they be avoided?

PUBLICITY—AND PETER McARTHUR

PETER McARTHUR has devoted to THE FINANCIAL POST and our attitude towards big business one of those altogether entertaining space consumers (at so much per column) which are one of the still readable features of the Toronto *Globe*, but which leave the impression that they are written on a wet afternoon when farm labor can be misapplied to advantage. In this case, it being a dry season, it has evidently taken Peter over two months to find an opportunity to reply to THE FINANCIAL POST'S observations of April 26th, when we referred to the fact that a trust was evidently not a trust—in the opinion of P. McArthur—when it was conducted by farmers.

Now we are criticized, mildly it must be admitted, for our attitude at that time. The remarkable part of it is that we believed then—and still believe—that in a general way we were endorsing Mr. McArthur's views. And being able to turn to the printed word, which he evidently neglected to do, we believe we can still convince him and our readers that this was the case. In fact we are forced to the conclusion in all justice to Mr. McArthur that he never read the article which he discusses.

The argument of the farmer, economist. pen-picturer, etc., is that the trend of his Vancouver article was to show that "trusts" as he knows them in the East, do not give sufficient publicity to their methods; that "no organization should be allowed to exist without the fullest publicity regarding all its actions." That was the trend of the April 26th editorial in THE FINANCIAL POST. We say this despite the fact that Mr. McArthur claims that "it was also significant that the point I tried to emphasize in my article—The Menace of Secrecy in Big Business—was not touched on." To prove it we will reproduce the two concluding paragraphs of that editorial which in fact expresses views like those of Mr. McArthur's, in his article of July 1st as to make us feel professional satisfaction that we expressed ours first:

> But if organization in manufacturing and commerce is looked upon with suspicion and distrust by the people and similar organizations by the farmers are regarded as a public benefaction there must be a reason. That reason appears to be that the grain growers, the fruit growers or the dairymen form their organizations in a public way. The public has been educated as to their aims and objects and the benefits of efficient service to producer and consumer. On the other hand, industrial mergers have been usually formed by inside negotiation. The public has never been intelligently informed of the benefits of organization in the big manufacturing and transportation companies—benefits alike to shareholders and consumers. Then, too, unfortunately, there have been some few combinations which have worked to unduly restrict consumption and to artificially control prices for the benefit of those directly concerned.
>
> There is a great need to-day for public education as to the conduct of big business. The large manufacturing and other corporations which serve the people should turn the spot-light upon their affairs and by intelligent publicity let the people know what they are doing. This and the breaking up of the few unhealthy combinations would do much to bring capital, labor and the public closer together. But these things cannot be accomplished in a day, and the sooner big business generally adopts a more open attitude towards the people the better.

As for such expressions as: "The curse of our present time is organization," with which Mr. McArthur embellishes his article, we are quite satisfied that he knows much better. Probably he just shoved them in to improve his standing with the editor of the *Globe*, who seems to imagine himself a socialistic St. George with business in the part of the dragon.

EDITORIAL NOTES

THAT blaming the Stock Exchange for speculation is parallel to smashing the thermometer because the weather is disagreeable is a pithy opinion of the Bache *Review*.

* * *

THE annual fire menace in Northern Ontario with its more or less disastrous consequence to life and property is again at hand. The absence of an efficient policy for combatting this great evil is a serious charge for the Ontario Government to answer.

* * *

WHEN the Mayor of Toronto has to call upon Sir Adam Beck to pass an agreement to purchase the Metropolitan Railway and again to settle the street car strike on the city system and when he wants the Power Knight to conduct the negotiations for the taking over of the Toronto Railway by the city, one begins to wonder why a mayor and Sir Adam are both necessary.

* * *

IN maintaining firmly its position in opposition to the confiscatory proposals of the Commons with regard to the charter rights of the Toronto and Niagara Power Company, the Canadian Senate proved the necessity for its existence as a curb against reckless actions on the part of politicians put into power by the people without respect to their ability to recognize their constitutional obligations.

* * *

AT a public meeting at Guelph under the auspices of the Trades and Labor Council it was decided to invite the farmers to join the workers in securing "control of industry and to change it from the basis of production for profit to that of production for use," etc. Can any one imagine the farmers passing up "production for profit" for "production for use?" We have never heard an intelligent explanation of "production for use," but we would venture a wager that the farmer will not fall for it.

WE ARE told that the Farmers' Platform tells how the revenue now secured through tariff taxation can be secured from some other source. However, we find that the said platform is not so definite as to how the revenue can be raised as it is as to how it can be raised without taxing the farmer.

PROFESSOR MAVOR AND C. W. BARRON IN CONTROVERSY

Toronto University Economist Resents American Journalist's Statement That England is "Shot to Pieces"

BOSTON.—Light is thrown upon the economic and industrial position of Great Britain resulting from the war, in correspondence which has passed between Prof. James Mavor of the University of Toronto, Toronto, Canada, and C. W. Barron, of the Wall Street Journal.

The clash of opinion developed out of a statement in one of Mr. Barron's letters, in which, referring to England, he said: "Economically she has been shot to pieces and she does not yet know it," and subsequently, "Economically, financially and industrially she has been sunk."

In the following letter, which is condensed, Prof. Mavor sets up certain standards which he terms the "criteria of industrial stability," by which he judges the position of England:

University Crescent,
Toronto, May 16, 1919.

My dear Mr. Barron:

Since you ask me to do so, I shall develop my criticism of your phrase "Great Britain is economically shot to pieces and sunk." In your letter you define the expression in this way: "Every nation is economically shot to pieces in a war which for the time being destroys her industrial base."

This definition seems to me to be too ambiguous and indefinite. I suppose that by industrial base you mean the foundations of industry, but this is by no means clear.

* * * No doubt some time must elapse before British external trade reaches the magnitude of the past. This does not, however, mean that the foundations of her industry are affected. Indeed, the foundations of British industry lie primarily in the trade of Great Britain itself and the extent to which Great Britain could, if the economic conditions demanded, be self-contained, has been much enlarged during the war. It has been shown that she could, with some inconvenience, no doubt, to her people, greatly restrict her imports from abroad—even of foodstuffs. Foreign trade has been shown to be after all not so vital for Great Britain as it had been supposed to be.

Even before the war it was the fashion in some quarters to speak of the decline of the British economic system. The Germans were fond of deriding it. They spoke contemptuously of individualistic capitalism of the English type as being archaic.

My own feeling was for some ten years before the war that Germany was an economic bladder blown up to the bursting point. I have no doubt that had no war taken place the German economic system would have collapsed like an over-blown bladder. I hope nothing will induce the people of Great Britain to imitate German methods. Better a solid and careful, if smaller trade, than an unstable system built upon an insecure foundation.

I now come to the questions which are the criteria of industrial stability? These are I think:

1. Industrial capital adequate to the requirements of industry at the time.

2. A system of finance—public and private—which contributes to the maintenance of an adequate supply of industrial capital.

3. An industrial population trained in the exercise of the industries in which they engage.

4. A fair and reasonable system of industrial remuneration.

5. An adequate supply of raw materials.

6. Internal and external markets which taken together absorb the products of industry at a level sufficient to subsist the industrial population at a reasonable standard of comfort.

1 and 2. Before the war Great Britain had a great excess of total capital, as is proved by her large foreign investments. This total capital has been diminished by the war. Has it been diminished to such an extent that the provision of adequate industrial capital is imperilled? I do not think there is any evidence that it has. I think you will admit that if Great Britain can finance her industries, her international position is secure. Her system of finance has already withstood a tremendous strain.

3. The industrial population of Great Britain has been increased rather than diminished by the war, and its adaptability and skill fully proved.

4 This element has, I think you will admit, received more effective treatment in Great Britain than anywhere else at the present time.

5. There is no want of these. The British Empire considered as a whole, may be regarded as potentially self-contained.

6. The internal markets alone must for a long time develop sufficient demand to keep a large proportion of the industrial plants in motion; and there is at least a sufficient remnant of external markets to make up the difference between that proportion and a total large enough to relieve the industrial population of anxiety.

Unless you can show that in these six essentials points Great Britain has become deficient, I do not see that you sustain your thesis, that she is all shot to pieces—and sunk.

Yours very sincerely,
James Mavor.

En route to New York.
May 26, 1919.

My dear Mavor:

I thank you for yours of May 16, but I cannot agree with your logic. You seem to me to set down some empirical rules and then demolish me by the rules, which you have yourself set down.

To begin with you don't quote me correctly. I said concerning England:

"Economically she has been shot to pieces and she does not yet know it."

I stand on the statement and your position rather proves it—that of a good loyal Englishman who does not know it.

Later on I say:

"Economically, financially and industrially she has been sunk."

I think you must admit that when a country is in the position where she cannot produce and sell and where she has by taxation and borrowing to pay her living, she is sunk for the time being, economically, financially and industrially.

What I additionally said was that "as soon as she finds it out, the question will be how long it will take her, with her noblest sons returned from the wars, to raise anew her industrial banners and again ride the seas in far flung lines, returning world wealth to her island shores."

I still stand on that proposition that England as a country is to-day an unprofitable country:

First, she is paying more than seventy million pounds sterling a year or more than $300,000,000 as railroad deficit, or very nearly as much as her annual government revenue twenty years ago.

If this money were simply a guaranty from the Treasury for paying interest on capital which was reinvested the country would still be sound, but when a considerable part of this is deficit, is being paid to wages; industrially speaking, transportation in England is sunk and the labor operating the roads is by taxation eating up the rails and ties and locomotives just as distinctly as the grasshoppers eat up the Kansas farmers' crop. The crop can grow again, but when you eat up the land by taxation, as the darkey contemplating the stoppage of the aeroplane said: "Whyar is yo'?"

Of course, I make clear that England has got to recover and it is only a question of time.

The price of coal to-day in England is $10 per ton, f.o.b. on ships or at mills. On this basis England's whole transportation and industrial system is changed. I call it "shot to pieces."

England is importing American steel even though transportation is $25 per ton.

Are not coal and steel the basis of England industries? Has she waterpower or oil for relief?

Her wages are double what they were and the people are not saving the wages. They are consuming them and the government is levying taxes and selling bonds to pay the wages. What more could you ask to warrant a description of a country as industrially, for the time being, shot to pieces or sunk?

Of course she will rise. The railroads are there, although well worn. The factories are there and the people are there. But economically the whole system is destroyed. It isn't any question of restoring the physical condition of the railroads. It is the question of putting the railroads on a self-sustaining basis, and England does not dare to do it because she would still further be economically shot to pieces and still further sunk, and her industries would be put still farther away from the markets of the world if she increased her railroad rates to cover the wages of labor and the wages of capital—and capital is only another form of labor.

You seem to take no consideration of the fact that while the English laborers' wages are doubled he still refuses to increase his output. Let him stand on that situation and England is doomed.

England's entire economic fabric is upset by his standing on that situation and the simple answer is that he must not be allowed to stand there. But we should recognize the fact that at present English labor is eating up the country.

Germany is deservedly crushed, but if her people will work for one-quarter of the wages of the English people and continue to do so, you will find within a generation that the war really crushed England and not Germany.

We see this throughout history; we see this in every family, state, nation, and industry—the victor sits down and consumes and the vanquished begins in poverty to work. And labor wins!

Very truly yours,
(Signed) C. W. Barron.

SERVICE AT COST NOT FOLLOWED BY PUBLIC OWNERSHIP

Continued from page 2.

amount 15 per cent. in excess of the normal amount there shall be an immediate improvement of service, reduction in fares or other charges, or extension of transfer privileges or other concessions in service, requisite to reduce the reserve fund to its normal amount.

It will thus be seen that the service at cost plan is really automatic in its operation and provides for contingencies as they arise.

Labor Favors Service at Cost

Labor has always endorsed the service at cost plan whenever it has been called upon for an expression of opinion. At a hearing before the Street Railway Committee of the Massachusetts Legislature, Thomas F. Shanley representing more than 25,000 street employees, was asked whether he understood that his organization believed the service at cost plan desirable. . . "I certainly do," Mr. Shanley replied. "I feel that the street railway companies are in as bad condition as has been stated, and we feel that capital should get fair return on the honest investment."

President Wilson and former Secretary McAdoo have repeatedly gone on record as favoring a more general recognition of the right of invested capital in public utilities to earn a fair return. The President said recently in commenting upon Public Utilities in general and street railways in particular: "A just and fair price must, of course, be paid for everything we buy; by a just price I mean a price which will sustain the industries concerned in a high state of efficiency, provide a living for those who conduct them and to make possible the extension of their enterprises which will from time to time become necessary. We could not reasonably pay less than such prices. They are necessary for the maintenance and development of industry, and the maintenance and development of industry are necessary for the grea tasks we have on hand."

How Service at Cost Benefits the Public

That service at cost is a plan that works to the distinct advantage of the car rider has been attested on every occasion where it has been put into practical operation. A very striking example of this is shown in the statement of Robert B. Stearns, First Vice-President of the Bay State Street Railway Company, of Massachusetts, who, while appearing before the Public Service Commission, was asked what the effect of the service at cost plan would be on the general operation of this road. Mr. Stearns said that "it would mean either a reduced rate or a longer ride for the same rate." This clearly indicates the advantages that the plan offers to the riding public and bears out the oft repeated assertion that service at cost can, among other things, give the public more and better service for the same rate of fare.

In Pittsburg, Pa., where the street railway conditions have been very acute for some time, a service at cost plan is now regarded as the only practical solution. E. K. Morse, Transit Commissioner of Pittsburg, in his annual report just submitted, said, "The cost-of-service plan meets the situation admirably and undoubtedly results in so stabilizing the electric railway transportation business that it will be more generally adopted and remain in force indefinitely. It is thoroughly equitable, guaranteeing a fair return to the road on its investment and guaranteeing equally to the patrons that service to which they are entitled for the fare paid. In instances where it has been adopted provision is made for co-operation between the municipality and the operating company in such a manner that the possibility of inefficient operation and financial mismanagement are reduced to a minimum, if not entirely eliminated."

The effort to lace the street railway industry upon a self-sustaining basis is not confined to Canada and the United States. Legislation to permit the London (England) United Tramways to conduct their business at a price to cover cost of operation is before the Select Committee of the House of Lords with every prospect that it will be favorably considered.

PERSONALS

ROGER H. WILLIAMS, who has recently begun his duties as a vice-president of the National Bank of Commerce in New York, has been notified of his election as a member of the board of trustees of Cornell University. Mr. Williams was formerly head of the New York law firm of Williams, Glover and Washburn, which he left to accept a vice-presidency at the bank.

ROBERT W. REFORD, who has been elected to the board of directors of the Cunard Steamship Company, Ltd., is president of the Robert Reford Company, Ltd., the well-known firm of steamship agents, with offices at Montreal, Toronto, Quebec and St. John. In addition to being a prominent figure in the shipping world Mr. Reford is also well known in financial and business circles, being a director of the New Brunswick Railway, the Crown Trust Company and the Intercolonial Coal Company. The election signifies the completion of a union between the Cunard Steamship Company and the Robert Reford Company, the former acquiring an interest in a reorganized Robert Reford Company, with a new board of directors.

JOHN A. HAWKINSON, who will head the new combination of packing houses to be known as the Allied Packers, Inc., has grown up in the packing business. Like Thomas E. Wilson, he entered the game when there was no such thing as "quittin' time" and Sunday work was the rule rather than the exception. He started with Swift & Co. in 1887, at the age of fifteen, going to work as office boy and messenger in their packing plant at Kansas City. Swift & Co. had only three plants in those days, and had just opened their Kansas City plant a week before Hawkinson got his first job. With Swift & Co. he held various positions, and incidentally dug into every angle of the business, until he reached the post of "city salesman." Then he was sent out on the road as a traveling salesman, and later was brought back into the office and made assistant manager of the provision department. In 1893, at the age of 21, he became manager of the provision department—which, in the packing business, includes everything but beef. He filled this position so well that in 1903 he was transferred to Chicago. Resigning from Swift & Co. in 1909, Hawkinson became vice-president of the Tennessee Packing Co., at Nashville, Tenn., where he remained until 1911, when he went with Sulzberger & Sons Co., of Chicago, as sales manager. In 1916 the name of this concern was changed to Wilson & Co., and in 1917 was elected a vice-president, which office he has only recently resigned to take up his new duties as president of Allied Packers.

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INVESTORS' INQUIRIES

Information under this head is given in answer to direct requests from investors who are readers of THE FINANCIAL POST. Many questions respecting securities are answered by mail direct. We would remind correspondents that it is now necessary to enclose 3 cents in postage stamps to cover postage on answers direct

THE CANADIAN MARKET

T. J., Ohio—Having a fair conception of the resources of the Dominion of Canada and a firm belief in its still greater future I desire to participate in the prosperity and expansion of its leading industries. Would like, therefore, to have the names of several reliable brokers whose advice would be of value to me in the buying of the stocks of the Nova Scotia Steel Co., the Dominion Steel Corporation, the Steel Company of Canada and the Lake Superior Corporation, etc. I mean brokers who are in touch with the conditions affecting these companies and who are good judges of the value of speculative stocks.

We are sending samples of the FINANCIAL POST as you request, and believe that as a regular reader thereof we can supply you with reliable information regarding the investment situation in Canada. Our attitude is towards conservatism on speculative issues because we keep the investor rather than the speculator in mind. However, we believe you will find that as this means the elimination of wildcat mining and promotion schemes you will agree in a general way with our policy. For this reason and because we are strict in the character of business which we accept we believe you will, by following the advertising announcements, be able to get into touch with those firms handling the class of securities you desire.

You may find in a general way that some of the big houses tend toward conservatism, but this rather because they seek to protect their clients than that they are not well acquainted with the more speculative propositions. If the client will make known carefully his position and the class of propositions he is prepared to and able to carry he will find that the big reliable investment houses are much safer to deal with than the shoestring promoters who, by cheap publicity, get results by holding out promises of big profits. It is the aim of the FINANCIAL POST to give to the investing public reliable information regarding mining, industrial, debenture and other investments in Canada and we believe that if you are seeking information of this kind the POST will amply repay you for the time spent in reading it and the small investment involved.

MOUNT ROYAL INSURANCE

A. B., Quebec.—"Will you kindly furnish me with information regarding the present position of the Mount Royal Insurance Co. of Montreal?"

The Mount Royal is one of the most successful of our Canadian fire companies. We understand its stock is worth in the neighborhood of $400. Last year the company's total income was $613,885, while its losses amounted to $260,455. Net earnings worked out at $175,619. For the protection of policyholders there is available a total of $1,214,457, of which $250,000 is paid-up capital; $326,324 reinsurance reserve; $63,015 investment reserve, and $575,117 balance of profit and loss. Assets are figured at $1,436,842.

SHAWINIGAN

This stock has not been attracting a great deal of attention, although a recent activity drew the price up from around 117 to over 126, the present price ranging between 124 and 125. However we regard it as good buying for investment purposes. The company is a large producer of power, and has several valuable subsidiary companies in the vicinity of the power plant that are not only customers but will be a source of profit to the company directly from their own earnings. In many respects Shawinigan can be regarded like the Montreal Light, Heat and Power Consolidated as a concern that is almost certain to have enormous development as manufacturing grows in the large district it covers, and as the Montreal Light, Heat and Power Co. draws on it for increasing blocks of power. The dividend now paid, 7 per cent., gives price of stock, but Montreal Power is strong at 90 with a dividend of only 4 per cent. Shawinigan should gradually increase its dividends and the market value of the stock should steadily grow. We are enclosing a copy of the last report for your information.

HURON AND ERIE

Hespeler.—Recent quotations for Huron and Erie give the bid at only 112, whereas formerly the price was 212. Is this company in the same position as the Dominion Permanent and the Standard Reliance% Is it safe and reliable as an investment or to leave funds with.

The explanation of the reduction in the quotation for Huron and Erie stock lies in the capital adjustment which was affected in February last, when at a special meeting of the shareholders it was unanimously decided to convert a portion of the reserve fund into capital stock and distribute this on a pro rata basis among the present shareholders having the effect of re-dividing the stock into shares of $100 each. Prior to that the par value had been $200. Thus the present quotation of 112 is on a par with a price of 224 on the old basis and indicates a certain strengthening in the market which may be regarded as a reflection of the general improvement in the value of high class securities.

The Huron and Erie Co., is one of the most conservative and best managed of the Canadian mortgage corporations and we regard the stock as a strictly high class investment. There has been some tendency recently to undermine the position of mortgage companies by unfavorable provincial legislation but there are indications now that the services of these companies in the upbuilding of the country and particularly the agricultural West are being better appreciated and there seems to be little indication that their position will be in any way seriously endangered in this way.

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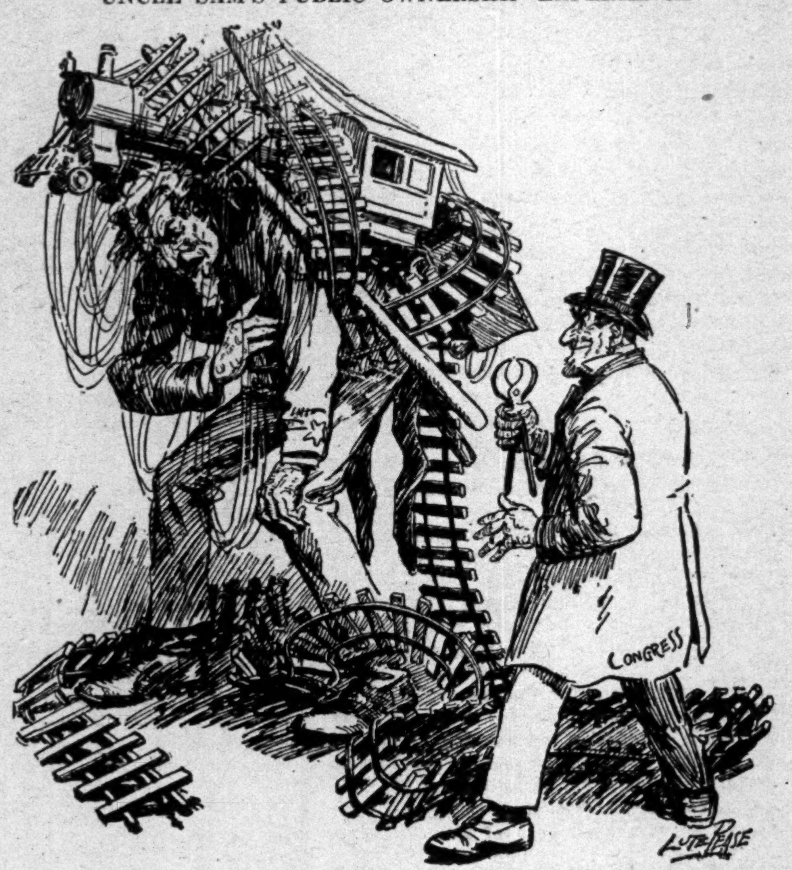

GET THIS PESKY TANGLE OFF ME

—Newark "Evening Star."

As Others See Us

COL. MACLEAN TO GIVE SUPPORT TO CONGRESS.

Edmonton *Bulletin*.

That the editors of MacLean's Magazine and the various MacLean publications will be represented well at the forthcoming industrial congress in Alberta, was made certain at a luncheon of the editors and heads of departments of these publications in Toronto on last Tuesday, when Mayor M. A. Brown, president of the Alberta Industrial Development Association, and originator of the congress, was the guest of Col. MacLean.

Mr. Brown spoke to those editors at half an hour's length, outlining the program for the congress, telling of the purpose of the industrial movement in Alberta and of the widespreading propaganda that manufacturers, who sell to Western markets and build branches in the West. He urged a more balanced industrial development within the Dominion and declared that the vast resources of the Western Canada country must be properly developed to meet the financial obligations of the country in the years to come. He went so far as to say that some day Alberta would be the greatest manufacturing area within the Dominion, and expressed the opinion that a great realignment of population and industry was about to come to pass.

Col. MacLean followed Mr. Brown with a hearty endorsal and a declaration that the MacLean publications would support this Western movement in its entirety, that he realized the necessity of Western development and that some day the great bulk of Canada's population would lie west of the Great Lakes. Col. MacLean assured that his publications would be well represented at the industrial congress.

FARMERS MUST BE CONSIDERED

Canadian Statesman, Bowmanville.

At recent meeting of Toronto Branch Canadian Manufacturers' Association Lieut.-Col. J. B. Maclean, President of the Maclean Publishing Co., took a broad minded and common sense view in referring to the tariff. He said it was a mistake to ignore the views of the farmers and that increasing mass of Canadians who were beginning to ask whether protection was in the best interests of the country. In his dealings with farm leaders he found them very fair. They wanted to see Canadian industry built un- They believe in a fair measure of protection but what they objected to were the "combines" that existed, because of the tariff to extort undue profits and eliminate all competition. A conference of manufacturers and farmers should go a long way towards arriving at a better understanding in the general interests of Canada on the tariff question.

CURRENT OPINION

Under this heading are published, for the information of our readers, the views of leading newspapers and individuals.

Their reproduction does not imply their endorsement. On the contrary, the investigations of THE POST'S editors often lead to entirely different conclusions from those quoted below.

VANDERLIPIAN PESSIMISM.

The American Banker

Frank A. Vanderlip, recently retired president of the National City Bank of New York City, has been taken to task, not only by the metropolitan press, but also by British and French journals, for his pessimism, and called an alarmist because he painted such a gloomy picture of war-stricken Europe and warned this country of the danger of revolutionary labor troubles.

No one has so far denied the ugly facts on which he bases his conclusions. Some admit the truth of his statements, but question the propriety of proclaiming them and emphasizing them in public addresses.

Mr. Vanderlip's critics remind us of what we have read about the Prophet Jeremiah, who was the biggest nuisance of his time and the most persistent prophet of evil the world has ever groaned under; and yet no one denies that the Jeremiahs were not only divinely inspired, but that they correctly interpreted the signs of the times.

To be sure, we deny Divine inspiration to the modern seer, but the man who reads history with understanding, thinks without bias, observes with care and applies the lessons of history to modern conditions, is as good a prophet as we shall ever enjoy the pleasure of "knocking."

There is no question that over in Europe the great social upheaval, which started in Russia and has involved parts of the Central Empires, threatens to spread to Italy, France and Great Britain. We in this country are also menaced—only in a less degree. Mr. Vanderlip's warnings should not be flouted, but pondered over and taken to heart so that a quick remedy may be applied in time to the economic dangers which confront us.

WILL UNION LABOR CLEAN HOUSE?

The Business Digest

It is an open secret that the radical and conservative elements in organized labor are already coming to align themselves so definitely as to presage an open break. In the American Federation of Labor the issue has centered in an attempt to repudiate the leadership of Mr. Gompers. The radical element seeks by promotion of general strikes, the advocacy—more or less open—of "soviet government,' 'agitation of sympathy for Germany, for Mooney and Debs, for Russia, for the I. W. W., to keep unionism in a ferment and eventually to wrest control of the Federation from the more conservative party.

Nothing could be more encouraging therefore for those who believe in the innate mental and moral soundness of the average American workman than two events of the past week: one the refusal by the American Federation of Labor to endorse the anti-draft agitation which the Socialist party carried on when we entered the war and which eventually led to the imprisonment of Mr. Debs; the other its condemnation of the Bolshevist uprising in Canada in the form of the "general strikes" of government and other employees in Winnipeg and other Western cities. This condemnation was, in form, indirect—it consisted of the revocation of the charters of several Canadian local unions on the ground that their action in appropriating money to organize a soviet (the so-called "one big union") was contrary to their union laws; but the purpose of the action was perfectly clear.

The Socialist element in unionism is by no means evenly distributed. It infects mostly those unions of preponderant foreign membership — especially those of Russian Jewish and Italian origin—and particularly the more unskilled classes of labor. In every union the radical element, because it is radical, has more influence than its numerical strength would give it title to, and it sometimes takes no small moral courage of leadership openly to oppose its demands. Nothing would do more to secure the just demands of labor unionism, to enhance its prestige and good-will with the general public and to strengthen its legal and moral powers, than a bringing of this fight out into the open, and if necessary a drastic purging of its ranks.

THE TAXES OF THE RICH

TORONTO *GLOBE*

The *Globe* desires once more to repeat that in no other country during the war have the rich by direct taxes contributed so small a share of the national expenditure, or the poor by customs duties so large a part as in Canada. To talk of the conscription of wealth under such circumstances is an insult to the intelligence of the electors. There are at least two or three million dollars of war profits concentrated in relatively few hands in this country to-day that should be in the public Treasury. The strong box of the Dominion Textile Company is not the only one filled with securities that are not shown in annual statements.

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SPECULATION IN COMMODITIES.

The Bache Review

A Wall Street man who was formerly a merchant, said the other day that Wall Street speculation was regarded with aversion by many people as immoral, but that this idea of it was being dissipated as people became more educated to economic facts. It is actually only a record at the top of things, of what is going on in the country. It is, at the moment, a record of profitable activity and optimistic outlook.

But, he said, in mercantile circles there is proceeding at the present time a great deal of speculation, on a very large scale, in commodities. For instance, he knew of one concern that was carrying fifteen million dollars' worth of vegetable oils, which are in great demand, and was holding these for higher prices. This is a distinct damage to the consumers and keeps living prices in these things used daily, at top and increasing levels.

Speculation of this kind is a real detriment to the community. It is not certain that it could be regulated in peace times. Of course, the economic remedy would work out—that is, high prices for a commodity tend to increase the production, and if the operation could only be accomplished rapidly enough, would furnish a prompt remedy. But increased production, to affect prices, takes time, and usually as surplus slowly accumulatess, prices are kept up and the speculator holds on. Then, to an extent, suddenly, the overproduction becomes evident and the rush of the speculator and the producer both, to sell, brings about a crash in prices. But this all takes time and is of no immediate relief to the situation.

Financial monitors watch the speculative wave on the stock market for signs of danger. Inasmuch as Wall Street reflects accurately the temper of the whole country, this is wise.

But giving no attention to the probable much larger speculation in commodities and simply nipping the speculation in Wall Street, is like trying to cool off the room by smashing the thermometer when it gets high.

STRIKE OR REVOLUTION?

Wall Street Journal

Has the labor unrest in Canada been "in form a strike, in intent a revolution"? An able and observing Canadian writer says it has been "aptly characterized as such." May it not be nearer the mark to call it "in intent a strike, in form a riot"? The number opposed to the form or principles of the Canadian Government has been too small to attract attention, except from a practical police point of view.

Western Canada especially has but recently sacrificed too much for the cause of freedom to warrant the opinion that hostility to the underlying principles of the Dominion Government could sustain the prolonged disorders of the past two months. Has not recurrent lawlessness merely shown that the practical advocates of government ownership do not relinquish a jot or tittle of the strike right when they become government employees? If the assertion of that right causes amazement and talk of revolution whose is the surprise and whose the talk of revolutionary intent?

It is not the members of the trades union who are astonished. Is it not a considerable number of unconscious Socialists in the non-union ranks of management and of capital itself, who indulge the delusion that promiscuous government ownership will end strikes, discontent and world-old agitation? The delusion is as foolish as the belief that disarmament will bring perpetual peace.

Trade unionists reserve every right of organization when they welcome farmers and the powerful and responsible representatives of farmers to the apostleship of State-owned utilities, transportation and manufactures. They concede nothing. They reserve what neither the Canadian farmers who will have 300,000,000 bushels of wheat to sell this winter, nor the capital which must market that wheat, have or cold possibly exercise—the right to strike—to walk out, to quit cold from the drudgery of the daily round, until the world comes to their terms. No matter to what extent government ownership goes the farmer must work to pay the loss and cost. He and his banker cannot strike. But the government-employed strike can lock them both out.

Organized labor will say with truth no revolution has been planned or countenanced by it. It stands for law, order and government ownership. It is now up to the non-organized advocates of the latter to explain away the efficiency of government ownership as an organizer, promoter and distributor of social unrest and coercion through the otherwise impossible agency of the communily strike.

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A wonder panorama unrolls before the traveler through the Canadian Rockies, Matapedia Valley, La Baie de Chaleur, Gaspe, Cape Breton, and along the ocean shore of Nova Scotia. History is animate in the ancient streets and dwellings, and in the quaint environs of Quebec, Montreal and Halifax. If you have only a few days, spend them joyously at Muskoka, Sparrow Lake or the Maritime Provinces. Or, wishing to combine business with pleasure, visit Western Canada, and such thriving cities as Winnipeg, where you "hear" opportunity grow.

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NEWS OF THE BOND MARKET

BOND MARKET BECOMING DULL AS JULY BEGINS

Impending Government Financing is Exerting a Certain Influence

NUMEROUS ISSUES

Quite a Number of Good-Sized Blocks of Bonds Were Awarded to Bond Dealers During Week

A gradual contraction in business is being noted by bond houses, due in part to the approach of the holiday season and in part to the influence of impending Government loans. This condition is accompanied by a slight softening in prices, and, as one dealer puts it, the keen edge that was on the market during the spring months is wearing off somewhat and municipalities that have delayed taking action may find bond houses less in the mood to bid aggressively for issues.

There is little fresh news regarding the coming domestic loan. A meeting of bond dealers took place in Toronto last week to discuss the situation, but only generalities were considered. There seemed to be some diversity of opinion on the tax question, and arguments for and against tax free bonds were submitted. There was also a discussion as to terms, some favoring short term and others long term bonds. No definite conclusions were reached, though the debate will serve the purpose of showing just what views are held among bond men.

Our Loan in New York

Of more definite character was the announcement made in the House by Sir Thomas White that negotiations were in progress towards the flotation of a loan in New York, to take care of the outstanding portion of the 1917 issue of $100,000,000 two-year five per cent. bonds, maturing on August 1. Of this loan it is estimated that about $50,000,000 is held in the States, and about $25,000,000 in Canada, while the balance was bought in by the Government during the slump of 1917-18. The new loan will be for $75,000,000 and will probably be floated around 5½ per cent. Its immediate effect may be to weaken the prices of the various Canadian provincial and large city bonds which have been offered recently across the line. The floating of the issue will be in the hands of the same syndicate that placed the 1917 issue on the market, the syndicate managers being J. P. Morgan & Co., Brown Bros. & Co. and Harris, Forbes & Co. Details regarding terms, etc., will be announced shortly by Sir Thomas White.

British Columbia Sale

The $3,000,000 issue of 20-year 5 per cent. debentures of the Province of British Columbia, for which offers were considered last Saturday, was awarded to a syndicate composed of Wood, Gundy & Co., Dominion Securities Corporation, and A. E. Ames & Co. at 93.34, or about a 5.55 per cent. basis. Only two bids were received, the second being submitted by a syndicate consisting of the United Financial Corporation, Hanson Bros., W. A. Mackenzie & Co., Brent, Noxon & Co. and R. C. Matthews & Co., who offered 91.83. The issue was placed on the market during the week and was rapidly absorbed.

In an interview given to the press before leaving for the West, Hon. John Hart, Minister of Finance, stated that the entire proceeds of the loan would be supplied to construction work in connection with the Pacific & Great Eastern Railway.

The Halifax Sale

Information to hand on Thursday from Halifax was to the effect that that city's issue of $761,000, 5 per cent. bonds, due July 1, 1953, had been awarded to the Royal Securities Corporation at 94.76. Among the offers received for the issue were the following:—

Royal Securities Corporation	94.76
Aemilius Jarvis & Co.	94.31
Wood, Gundy & Co.	94.21
F. B. McCurdy & Co.	94.10
Harris, Forbes & Co.	93.25
G. A. Stimson & Co.	93.05
A. E. Ames & Co.	91.69
Dominion Securities	90.34

Winnipeg's Again

The City of Winnipeg is making another issue of bonds, this time $500,000. It will be recalled that in April the city sold to Wood, Gundy & Co. an issue of $400,000, 5½ per cent., 20-year refunding bonds at 100.87, this in connection with its conversion scheme. Following an offer from the same firm to handle the new $500,000 issue at the same price as obtained for the previous issue, the city council last week accepted the proposal. The bonds are 30-year, 5½'s, and the proceeds will cover the immediate financial requirements of the city, discharge an existing overdraft and provide for water main extensions.

Maritime Awards

Among recent bond awards in the Maritime Provinces are the following: Berwick, N.S., $27,000, 20-year, 6's, to Standard Bond Co. at 101.80; Edmonton, N.B., $90,000, 30-year serials to Municipal Debenture Corporation, Montreal, at 96.65; Kentville, N.S., $50,000, 5½ per cent., 20-year bonds, to local investors at 101.50; Windsor, N.S., $40,000, 5½ per cent., 20-year bonds, to local investors at 101; Lunenburg County, N.S., $20,000, 5½ per cent., 20-year bonds to Maritime Trust Co. at 101.99.

Other Flotations

The Town of Southampton has awarded an issue of $20,000, 6 per cent., 20-year debentures to W. L. McKinnon & Co.

Aemilius Jarvis & Co. and Morrow & Jellett have purchased from an institution $2,987,000 Province of Ontario 4 per cent. bonds, due 1st March, 1926, which are payable in New York as to principal and interest.

The Royal Securities Corporation celebrated its entrance into the municipal bond field this week by securing an issue of $41,000, 5½ per cent. bonds of the Town of Beauharnois, Que., at 98.492. The tenders were as follows:

Royal Securities Corp.	98.492
Versailles, Viducaire & Binlais	98.01
Credit Canadien	97.22
Municipal Deb. Corp.	97.055
Beausoleil, Ltd.	96.76
A. E. Ames & Co.	94.177
Hanson Bros.	92.45

Sherbrooke Postponed

The highest bid received by the City of Sherbrooke this week for $142,500, 5 per cent. bonds, due June 1, 1939, was from Hanson Bros. at 93.71. The council postponed definite decision until July 7. The bids were as follows:

Hanson Bros.	93.71
Versailles Vidricaire Boulais Limited	93.41
Credit Canadien Limited	93.41
Royal Securities Corporation	93.366
National City Company	93.33
Municipal Debenture Corporation	93.055
Nap. P. Kirouac	93.02
Provincial Securities Corporation	93.02
Greenshields & Company and Foster, Barrett, Riepert & Low, Limited	92.72
Wood, Gundy & Company	92.58
United Financial Corporation	91.60
Dominion Securities Corporation	91.21
A. E. Ames & Company	91.133

Fewer Bids Received

While sixteen bond houses tendered for the City of Kingston's issue of $77,000, 5½ per cent., 30-year bonds on Thursday, the fact that there were nine less than in the case of the Kingston sale of two weeks ago affords an interesting market commentary. The issue was awarded this time to the United Financial Corporation at 104.04, or a basis of 5.23 per cent., which is practically the same rate as before. Following are the offers received:

United Financial Corporation	104.04
Home Bank	104.03
G. A. Stimson & Co.	103.78
Royal Securities Corporation	103.46
National City Co.	103.28
Jarvis & Co.	103.24
R. C. Matthews & Co.	103.04
Harris, Forbes & Co.	103.02
Wood, Gundy & Co.	102.77
Macneill, Graham & Co.	102.53
Bank of Nova Scotia	102.30
R. A. Daly & Co.	102.26
Housser, Wood & Co.	102.26
A. E. Ames & Co.	101.12
W. L. McKinnon & Co.	100.70
C. H. Burgess & Co.	99.83

Other Recent Awards

The Rural Municipality of Swan River, Man., has placed its issue of $50,000, 6 per cent., 30-instalment debentures with G. A. Stimson & Co.

The Regina Public School issue of $139,000, 5½ per cent., 30-year bonds has been awarded to the Canada Bond Corporation at 96.66.

The Township of Lancaster on Monday awarded its good roads issue of $25,000, 5½ per cent., 20-instalment bonds to the National City Co. at 101.52.

Word received from Bowmanville yesterday was to the effect that tenders for its issue of $17,500, 6 per cent., 10-instalment bonds would not be considered until to-day.

RISE RECORDED

Howard Smith Bonds Have Advanced Over Two Points

An advance has already taken place in the price of the issue of $800,000 6 per cent. first mortgage 15-year sinking fund gold bonds of the Howard Smith Paper Mills which was offered a few weeks ago by Nesbitt, Thomson & Co. The issue price was 93, giving a yield of 6¾ per cent., while this week the price rose to 95.25 which reduced the yield to 6½ per cent. This issue was rapidly subscribed.

MONTREAL BIDS IN CIVIC BONDS TO YIELD 5%

"Sinking Fund" Successful Tenderer for $624,000 Issue

OTHERS UP TO 5⅝%

Proceeds $34,320 More Than Next Highest Tender—Surprise for Nine Private Firms

By Resident Representative.

MONTREAL.—Bond dealers received a surprise on Thursday afternoon when tenders were opened at the City Hall for an issue of $624,000 City of Montreal 4½% 35-year bonds, due 1954, and with interest payable at Montreal and New York. The successful bidder was the City Sinking Fund at 91.775, giving almost an even 5% yield. There were nine other tenderers, all private firms, and the nearest was 5½ points below the city's bid, or 86.277. Others were at 84.67 and down to 82.59, or over 9 points below the "City Sinking Fund."

Difference in Yield

Working out these tenders on a basis of yield to the purchaser, the city's own bid allowed only 5%, while the nearest outsider desired a yield of at least 5⅜%, while the lowest tenderer submitted a figure that would give 5⅝%.

The various tenders were as follows:—

City Sinking Fund	91.775
Hew. R. Wood Co. and Æmilius Jarvis & Co.	86.277
National City Company	84.670
United Financial Corporation	84.600
Credi tCanadien	84.590
Wood, Gundy & Co.	84.570
Harris Forbes & Co.	84.190
Rene Leclerc & Co.	84.150
Municipal Debenture Corporation	83.255
Dominion Securities Corporation and A. E. Ames & Co.	82.59

Some Criticism

There was a tendency at first to criticize the action of the municipal authorities in making so high a bid on the one hand, which would give the one civic department proceeds of $34,320 more for the issue than the highest bond house, while on the other hand the Sinking Fund Department, also a municipal one, was investing its funds in a 5% yield only, while it could have invested it in other issues that would have given a return of 5½ to 6%.

In one sense, however, it is a matter of bookkeeping, a gain to one department, while a loss to the other. In the end the city will be able to say it had to pay only 5% for its money, a big contrast over one year ago. For in February, 1918, the issue of $6,900,000 refunding bonds gave a yield of 6½%, while $9,400,000 sold on two occasions later gave a yield of 6% to the public investor. On the other hand, last year's were short term issues, against a long term one just decided.

NOVA SCOTIA TENDERS

Many Bond Houses Figured in the Bidding for This Issue

Following the announcement made last week of the disposition of the province of Nova Scotia's issue of $1,200,000 5 per cent. bonds, it transpires that the bidding for the issue was quite keen. The following list gives the tenders which were received:

	10 yr.	15 yr.	20 yr.
McCurdy & Co.; Maritime Trust; N. S. Trust Co.; Mackenzie & Co.	98.000	98.030	97.880
Jarvis & Co.	98.000	97.700	97.380
Burgess & Co.	97.777	97.616	97.412
Robinson & Sons	97.730	97.450	97.460
Stimson & Co.	97.445	96.950	96.950
Dominion Sec.	......	97.090	96.790
Macneil, Graham.	97.090	96.530	96.030
Bank of N.S.	97.040	96.540	96.040
National City Co.	97.210	96.480	95.910
Harris, Forbes	96.950	96.010	95.780
Wood, Gunday & Co.; Eastern Securities	96.680	96.340	......
Canada Bond	96.690	96.080	95.920
Kissel, Kinnicutt.	96.270	94.730	93.560
Leach & Co.	96.400	......	......
Royal Securities	96.190	96.190	96.190
Received too late:			
Housser, Wood & Co.	97.110	96.470	96.430

	1 yr.	2 yr.
Dominion Sec.	101.630	101.040
Harris, Forbes	101.470	100.530
Robinson & Sons	101.340	100.800
Burgess & Co.	101.328	100.460
Stimson & Co.	101.175	100.275
Leach & Co.	....	100.620
Jarvis & Co.	101.000	100.400
Canada Bond	100.840	99.900
Kissell, Kinnicutt	100.790	99.640
Macneil, Graham	100.610	99.730
Royal Sec. Co.	100.610	....
Received too late:		
Housser, Wood & Co.	100.650	99.760

The award was made in two blocks, $700,000 being issued in one-year maturities at 101.63 and the balance in 10-year maturities at $98.18.

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FIELD OF MUNICIPAL FINANCE

LAND TAX ALONE INADEQUATE TO RAISE REVENUE

Since 1913 the Burden Being Gradually Shifted to Other Shoulders

WEST'S EXPERIENCE

Useless and Foolish to Continue to Assess Land at Values Which Bear No Relation to Actual Values

By GEO. D. MACKIE, M.E.I.C.,
City Commissioner of Moose Jaw.
Portion of an address on "Taxation" read before the Union of Saskatchewan Municipalities, June 26, 1919.

The subject of taxation is one which is developing from the class of a hardy annual to that of a perennial, and while it would almost seem that everything that can possibly be said on the subject so far as it affects our own province has already been said, the interest which the question invariably arouses at our annual gatherings belies this opinion, and it appears, and in my opinion appears rightly, that the solution of the question of the "more equitable distribution of taxation according to ability to pay," as the secretary very correctly sets forth in the last of the four points for discussion, is not much nearer solution than it was in 1913 when the tide of real estate speculation had reached its height, and indeed was already rapidly receding.

(Mr. Mackie here introduces statistics showing that whereas the debt of the province is $39,83 per capita, that of the urban municipalities is $184 per capita; this with a view to showing how important are the problems connected with municipal finance.)

From the Practical End

It is not the intention of the speaker to go into the question along academic lines, nor to discuss pro and con the single tax theory, but rather to address the subject from the practical view point of a ratepayer in any of our urban centres, coupled with the greater knowledge which must necessarily accrue to an official who from day to day finds himself confronted with the many inequalities, absurdities and vexations which the systems of taxation as set out in our town and city acts cause.

Taxation, then, involves a compulsory levy, and the first principle of taxation deals with the mode of apportionment. In seeking a solution to this question no better principle, in my opinion, has yet been set forth, indeed it has become axiomatic, than that laid down by Adam Smith, the Scottish political economist and moral philosopher, in his "Wealth of Nations," published in the latter part of the eighteenth century, where he says, "The subjects of every state ought to contribute to the support of the Government, as nearly as possible in proportion to their respective abilities, that is, in proportion to the revenue which they respectively enjoy under the protection of the state. In the observation or neglect of this maxim consists what is called the equality or inequality of taxation."

Not Carried Opt

Has our Government, speaking through the urban acts, endeavored to follow the above axiom? I think there can only be one answer, and that is "No." Instead of asking all citizens to contribute to the majority of the people at the time, to place the whole or major portion of the burden on real estate, and as a consequence of failing to observe the axiom above quoted the system failed to stand the strain of the six years of financial depression through which we have just passed. The error was made of assuming that the influence of social evolution upon values was confined to real estate, and of overlooking both the duty of other classes of property to pay for special service received, and the administrative inefficiency of a single tax to support separate civil divisions of Government. It appears to the speaker absurd, so far as urban land is concerned, to say that land only is a community product and alone should contribute to the community revenue, and that buildings are the product of individual production and should be exempt. There is no such thing as individual production. All wealth is mede by exploiting community conditions, including the needs and services of labor.

Put Finger on Disease

The inconsistency and incongruities of the present system became so marked that the Government, in 1917, appointed Prof. Haig, of Columbia University, to report on the incidence of taxation in urban municipalities, with the view of having the burden of taxation spread more equitably. Prof. Haig's report was published at the close of 1917, and whatever may be the criticism on that report, it appears to the speaker that he at least put his finger on the disease and prescribed a course of treatment, which, if followed, would ensure a cure.

Prior to 1910 the tax base in the cities was distributed almost equally between land and improvements; in 1913 it was almost wholly on land; but, while land still forms the base, the burden is being generally, if perhaps all too slowly, shifted to other shoulders not more willing, but, in the speaker's opinion, more able to bear taxation.

As stated earlier in this report, the speaker does not propose to enter into a discussion as to the merits or demerits of single tax, but this fact stands forth potent to all that during the years in which urban centres looked to land as the main source from which to derive their revenue, the revenues necessary for the carrying on of the multifarious work of these urban centres failed to produce the revenues required, and towns and cities were driven to expedients of all kinds in the hope and in the endeavor to keep down to reasonable proportions their ever increasing liabilities.

The Case of Moose Jaw

In the city of Moose Jaw, with an area of 9,760 acres, there are approximately 61,600 lots, and the owners of 13,634 of these lots have handed them over to the city rather than continue to pay taxes on them. The total land assessment of the city this year is approximately $15,000,000.00, and of this amount fully $3,000,000.00 has to be deducted, being the assessment of the land acquired through tax sale, and as it is an impossibility to raise the necessary revenue to run the city from the balance of the land assessment, the problem has to be faced, whether to our liking or not, of looking to other sources for the raising of the necessary revenues. This is no question of theory, it is a stern, hard fact. It is useless and foolish for cities to continue to assess one fifth to one third of the land at assessments which bear no relation to their actual value, for such land cannot produce the required revenue. In addition to the uselessness and folly of such procedure, there is a more serious charge, violation of contract between the community and the land owners, which contract requires in the present state of the law that "land shall be assessed at its fair actual value." This continual violation of contract between the city and the owner strikes at the root of all progress and results in paralysis. Who can spend money on improvements in a community which ignores the rights of the other party of the contract? So then, apart from any question of equity, cities must look to some other source than land for the purpose of raising its revenues. But is the raising of taxation by taxing improvements, incomes and businesses as well as land inequitable?

POSITION OF RED DEER EXPLAINED

City Commissioner Tells Why Issue of Treasury Bills is Being Made

In connection with the offering of $90,000 treasury bills of the city of Red Deer, for which tenders have been called for July 10, A. T. Stephenson, city commissioner, supplies the FINANCIAL POST with the following particulars of the issue, and outline of the financial position of the city:

"The purpose of the issue is to pay off all floating liabilities, including treasury bills outstanding. We have enough funds on hand to pay the bills due July 1st, but not enough at present to pay the instalment due September 1st. We could collect enough to pay the September 1st instalment, but it would probably compel us to force collection of arrears against some properties belonging to soldiers and this we could not conscientiously do. The same would apply to the instalments due in 1920 and 1921. We decided to make a new issue, spreading the repayment over ten years. We are making agreement with owners of properties in arrears, giving them from two to ten years to pay off the arrears in equal annual instalments with interest, provided the current taxes are paid each year. This applies to all in arrears over $20, including soldiers, and in the case of those who have served in any of the allied armies or navies, we are cancelling all penalties on arrears charged from date of enlistment to date of discharge. These persons are also exempt from all taxes on their home properties for the same period. I think Red Deer is treating the returned soldiers liberally and they appreciate it.

"Another reason for extending the time for payment of arrears is the fact that if we pressed for early payment of arrears many would be compelled to lose their properties and they would fall into the hands of the city. I have always contended that a municipality should not dabble in real estate, if it can be avoided, and we have adopted the policy of selling all properties we have got title to in this way for the actual amount we have charged against each property, except in one or two isolated cases where we might require the property for city purposes in the future.

"I am pleased to say that we are improving our financial position and by the end of 1919 we will have reduced our debenture debt nearly $56,000 since 1914.

"As I have informed you previously we make our assessment in the fall for the following year and first thing in the year we make up our estimates, strike the tax rate and get out the tax notices. As a result of this we commence to collect taxes in January and this year our collections to date have been the best in our history. We have collected enough taxes to pay all debentures and other city expenditures to date and all school and hospital expenditures without having to borrow from the bank on 1919 account and we have nearly enough cash on hand to pay the July expenditures and expect by the end of this month to have enough in to run us into August."

Money By-laws

Those investors who wish to keep in touch with the municipal bond market will find this department useful. It aims to be accurate and convenient. THE FINANCIAL POST makes a specialty of municipal bond news. Municipalities will find it to their advantage to send in direct news of contemplated bond issues.

TENDERS WANTED

July 19, Listowel—$18,000 5 per cent., 20-instalment good roads debentures of the town of Listowel.—W. E. Binning, Treasurer. (See announcement, page 13.)

Aug. 4, Charlottenburgh Township.—$30,000, 5½ per cent., 20 instalment bonds.—Geo. E. Watson, Township Clerk, Williamstown, Ont. (See announcement, page 13.)

July 7, Grenville, P.Q.—$3,000 in 6 per cent. coupon debentures, dated Dec. 1, 1918, due June 1, 1929.—S. A. Filion, Secretary-Treasurer.

July 10, Saskatchewan Schools.—$35,765 in 6¼ and 6½ per cent. school district debentures.—Local Government Board, Regina.

July 19, New Glasgow, N.S.—$55,000 5½ per cent. 15-year debentures of the town of New Glasgow, N.S.

July 10, Red Deer, Alta.—$90,000, 6 per cent., 10-instalment treasury bills, dated July 1, of the city of Red Deer.—A. T. Stephenson, City Treasurer (see announcement on page 13).

July 7, Smith's Falls.—$115,514 5½ per cent., 20-instalment waterworks debentures of the town of Smith's Falls.—J. A. Lewis, Town Clerk.

July 7, East Whitby Township.—$16,000 5½ per cent., 25-instalment, and $45,000 5½ per cent., 30-instalment debentures for school purposes.—William Lewis, Clerk, Columbus, Ont.

July 21, Saskatoon—$238,377 in 5 and 5½ per cent. debentures of the City of Saskatoon (see particulars in next column).—C. J. Yorath, City Commissioner, Saskatoon.

August 15, Lancaster Township.—$100,000 5½ per cent., 25-year serial debentures of the Township of Lancaster.

BY-LAWS PASSED OR DEFEATED

St. Catharines.—$158,000 for public school purposes, passed by council May 20; registered June 17.

Bertie Township.—$60,000 for enlarging present school site or purchasing new school site in S.S. No. 11.

Grimsby.—$7,500 for purchase of a property for school purposes, etc., passed by council June 16.

BY-LAWS TO BE VOTED ON

July 7, Glenwood, R.M., Man.—$50,290 in 5½ per cent., 30-instalment debentures for the construction of highways and roadways.

July 14, Sarnia.—$350,000 for purchase of a site and erection of a new collegiate institute and technical school.

July 14, Brantford.—$400,000 guarantee of bonds of the Brantford Industrial Realty Co., Ltd.

BOND SALES

$7,000 Asbestos at 78¼; $500 Can. Bread at 94; $5,000 Can. Cement at 101; $1,000 Cons. Rubber at 96; $25,100 Cedar Rapids at 90 to 88½; $1,000 Dom. Canners at 99 to 95¾; $8,000 Dom. Cotton at 99¾ to 99½; $2,000 Dom. Iron at 89½; $750 Dom. Textile (A) at 99¾; $2,000 Montreal Trams, debs., at 75¾; $10,000 Nat. Breweries at 100; $3,500 Wayagamack at 87¾ to 87⅝; $233,500 Victory Loan (1922) at 101⅝ to 100⅞; $374,050 (1923) at 101¾ to 101; $70,600 (1927) at 104 to 102⅞; $417,800 (1933) at 105⅜ to 104¼; $250,900 (1937) at 107 to 105½; $35,100 War Loans (1925) at 100 to 99½; $21,200 (1931) at 101¼ to 99½; $52,000 (1937) at 102 to 100¾.

Weekly Record of Government and Municipal Bond Sales

Date	Place and Purpose	Purchaser	Rate	Term	Amount	Price	Basis
June 28	British Columbia	Ames & Co.; Wood, Gundy; Dom. Sec.	5%	20-yr.	$3,000,000	93.34	5.55%
" 26	Winnipeg, various	Wood, Gundy & Co.	5½%	30-yr.	500,000	.....	.....
" 25	Berwick, N.S.	Standard Bond Co.	6%	20-yr.	27,000	101.80	5.85%
" 25	Edmundston, N.B.	Municipal Debenture Corp.	....	30-ser.	90,000	96.65	.....
" 25	Kentville, N.S.	Local Investors	5½%	20-yr.	50,000	101.50	.....
" 25	Windsor, N.S.	Local Investors	5½%	20-yr.	40,000	101.00	.....
" 25	Lunenburg County, N.S.	Maritime Trust Co.	5½%	20-yr.	20,000	101.99	.....
" 25	Southampton, Ont.	W. L. McKinnon & Co.	6%	20-yr.	20,000	.....	.....
" 30	Beauharnois, P.Q.	Royal Securities Corp.	5½%	.....	57,500	98.49	.....
" 30	Lancaster Tp.	National City Co.	5½%	20-ins.	25,000	101.52	5.35%
July 2	Halifax, N.S.	Royal Securities Corp.	5%	34-yr.	761,000	94.76	5.34%
" 2	Swan River, Man.	G. A. Stimson & Co.	6%	30-ins.	50,000	.....	.....
" 2	Regina Public Schools	Canada Bond Corporation	5½%	30-yr.	139,000	96.66	.....
" 3	Montreal	Sinking Fund Board	4½%	35-yr.	624,000	91.775	5.00%
" 3	Kingston	United Financial Corp.	5½%	30-yr.	77,000	104.04	5.23%

OUR POLICY

Our policy—except in cases where we are otherwise directed by the Will or trust instrument under which we act—is to practically confine our investments to first mortgages on improved real estate.

THE
TORONTO GENERAL TRUSTS
CORPORATION
Head Office, 83 Bay Street, Toronto
Branches at Ottawa, Winnipeg, Saskatoon, and Vancouver

City of Red Deer

$90,000 Treasury Bills

SEALED TENDERS will be received by the undersigned for $90,000 of an issue of $100,000, six per cent., ten-year, equal annual instalment bonds of the City of Red Deer, up to

NOON OF THURSDAY, JULY 10

THESE Treasury bills are issued against arrears of taxes and lands taken over by the city, aggregating upward of $120,000.

THE bonds are dated July 1st, 1919, and instalments and semi-annual interest will be payable at offices of the Imperial Bank, Toronto, Montreal and Red Deer.

THIS issue has been approved by the Public Utilities Commissioner of Alberta.

THE right is reserved to reject any or all proposals.

A. T. STEPHENSON,
City Treasurer

Red Deer, Alberta, June 24, 1919.

VICTORY BONDS FOR SALE
By the Town of Owen Sound

SEALED TENDERS will be received up to Monday, July 7th, 1919, at three o'clock in the afternoon for the purchase of Dominion of Canada fully registered Bonds of the par value of $375,900, as follows:

Victory bonds due 1933—5½%	343,900.00
Victory bonds due 1937—5½%	1,000.00
War loan bonds due 1937—5%	31,000.00

Also separate offers to sell Provincial or other bonds of approximately the same value.

No tender necessarily accepted.

A. F. Armstrong,
Town Treasurer

Owen Sound, June 25, 1919

A HOLIDAY YOU WILL APPRECIATE

The Muskoka Lakes have won a commanding place among the summer playgrounds of this continent. They draw their devotees each season from every centre of importance in Canada and the United States. The Muskoka group is composed of three large lakes and some smaller ones. The principal lakes, often called the "Three Graces" are Rosseau, Joseph and Muskoka. When you consider that Muskoka resorts are within three and a half hours ride by the Grand Trunk from Toronto, and proportionately accessible from many other large centres, no more delightful trip can be planned. A pleasant journey by train; a delightful sail of from one to four hours through beautiful lakes and island scenery; a sojourn at a well conducted hotel or boarding house, indulging in such recreations as golf, bathing, sailing, and fishing. For full particulars and booklet regarding this territory apply to G. T. R. agent, or C. E. Horning, D.P.A. Toronto, Ont.

Tenders Wanted

SEALED Tenders will be received up to August 4th, noon, for $30,000.00 Township of Charlottenburgh 5½% Debentures, payable in 20 equal annual instalments.

Communications should be addressed to **GEORGE A. WATSON,** Township Clerk, Williamstown, Ontario.

City of Saskatoon
Saskatchewan

DEBENTURE ISSUE.

5½ per cent.	$166,883.26
5 per cent.	71,494.65

SEALED tenders will be received by the undersigned up to noon on Monday, the 21st day of July, 1919, upon the following debentures:—

10 year 5½ per cent. debentures.	$ 3,976.00
15 year 5½ per cent. debentures.	52,250.00
20 year 5½ per cent. debentures.	30,000.00
30 year 5½ per cent. debentures.	80,657.26
30 year 5 per cent. debentures.	33,692.05
29 year 5 per cent. debentures.	37,802.60
	$238,377.91

The lowest or any tender not necessarily accepted and the Council reserves the right to accept a tender on the whole or portion of the above debentures.

Full particulars of the issue and statistical information as to the city's finances can be obtained upon application to the City Commissioner.

C. J. YORATH,
City Commissioner.

Saskatoon, Sask., June 26th, 1919.

Tenders Wanted
July 19
LISTOWEL $18,000.00 6%
20 Instalment Good Roads Debentures, of the Town of Listowel.
W. E. BINNING,
Town Treas.

Tooke Bros., Limited

PREFERRED STOCK DIVIDEND NO. 29

NOTICE is hereby given that a Special Dividend of 3½% on the Preferred Stock of this Company, being the balance of arrears of dividends on said issue, has been declared, payable on the 19th of July to Shareholders of record on the 10th of July.

By order of the Board.

W. S. BARKER,
Secretary-Treasurer.

Montreal, June 28th, 1919.

Route Your Shipments
CANADIAN NATIONAL

SIZE, STRENGTH, LIBERALITY

The Sun Life Assurance Company of Canada, with over $340,000,000 of business in force, has all the advantages that size can bring to a life company.

With assets of over $97,000,000 and surplus of over $8,000,000 it has decided strength and safety.

Its policy, conditions and dividend record have earned for it an enviable reputation for liberality, while its record for fair dealing is unexcelled.

For information as to contracts, communicate with the nearest Division office, or with the Company's Head Office in Montreal.

SUN LIFE ASSURANCE
COMPANY OF CANADA
HEAD OFFICE—MONTREAL
T. B. MACAULAY, President

WHEN YOU DIE

Will your Estate be properly administered?
If you appoint a private Executor, who will replace HIM when HE dies?
The MONTREAL TRUST COMPANY, being a Corporation, never dies.
Therefore, if you appoint that Company your Executor, the proper administration of your Estate will be assured. Consultations solicited.

MONTREAL TRUST COMPANY
Sir Herbert S. Holt, President A. J. Brown, K.C., Vice-Pres.
TORONTO OFFICE: ROYAL BANK BUILDING
J. F. HOBKIRK, MANAGER

The Independent Order of Foresters

Furnishes a Complete System of Insurance

Policies issued by the Society are for the protection of your Family and cannot be bought, sold or pledged.
Benefits are payable to the Beneficiary in case of death, or to the member in case of his total disability, or to the member on attaining seventy years of age.
Policies issued from $500 to $5,000. For further information and literature, apply to

Benefits Paid 63 Million Dollars

FRED J. DARCH, Secretary W. H. HUNTER, President S. H. PIPE, F.A.S., A.I.A., Actuary
HEAD OFFICE - - - TORONTO

Why the "MUTUAL LIFE of Canada" is so Popular

The Mutual placed upon its books in the first five months of 1919, 100% more business than in the corresponding months of 1918. The wonderful war-record of the Mutual Life and the prompt payment of the many unexpected claims during the recent epidemic—these have proved the value of the institution. The Mutual, moreover, is in a peculiar sense a people's company being in its control democratic, in its economy strictly co-operative. This means that the system is in line with the "Spirit of the Age" and so the people naturally turn to the Mutual. The record of the company for nearly half a century has been one of increasing beneficence, and an ever-growing number of gratified policyholders help on the good work of the agents. As a result there probably is not a more prosperous group of workers in Canada to-day than the representatives of our company.

"BE A MUTUALIST!"

THE MUTUAL LIFE ASSURANCE COMPANY OF CANADA
WATERLOO : : ONTARIO

5½% INTEREST RETURN

INVEST YOUR SAVINGS
In a 5½% DEBENTURE of
The Great West Permanent Loan Co.
SECURITY

Paid-up Capital	$2,412,578.81
Reserves	964,459.39
Assets	7,086,695.54

HEAD OFFICE, WINNIPEG
BRANCHES: Toronto, Regina, Calgary, Edmonton, Vancouver, Victoria, Edinburgh, Scotland.

THE
CANADA NATIONAL FIRE
INSURANCE COMPANY
HEAD OFFICE: WINNIPEG, MAN.
TOTAL ASSETS $2,468,523.08
A Canadian Company Investing its Funds in Canada
APPLICATION FOR AGENCIES INVITED
TORONTO: 20 KING ST. W. Lyon & Knowland, Agents

BRITISH COLONIAL
FIRE INSURANCE COMPANY
MONTREAL

Authorized Capital - -	$2,000,000.00
Subscribed Capital - -	1,000,000.00
Paid-up Capital - -	247,015.79

General Fire Insurance Business Transacted
Theodore Meunier, Manager

INVESTORS' INSURANCE NOTES

DID COMPANY'S ACT CONSTITUTE WAIVER OF CLAIM?

Retained Overdue Premium on Lapsed Policy Pending Proof of Health

INSURED DIED

Beneficiary Laid Claim to Full Amount of Insurance, But Company Was Found Not to be Liable

A case of considerable interest to life insurance men was decided recently by Judge Greenshields in the Superior Court, Montreal. It involved the question as to whether the retention by a life company of an overdue premium on a lapsed policy constituted a waiver of the company's cancellation.

The claimant was Elizabeth Faulkner, widow of Ivor John Lewis, who on Mar. 6, 1918, took a $1,000 policy of life insurance from the Mutual Life and Citizens' Assurance Co., Ltd. The first half year's premium, amounting to $11.50, was paid at the time of the policy. The next premium for the half year became due on Sept. 1, but it was not paid until about the middle of October, after the lapse of the thirty days' grace, which are allowed before a policy lapses. Mr. Lewis died on Oct. 22 last, from Spanish influenza. On Oct. 23 the insurance company sent Mrs. Lewis a cheque for $11.25, being the amount of the last premium paid on her husband's policy.

Held in Suspense

The company pleaded that the premium under the policy was due Sept. 1, 1918, and by the conditions within a period of thirty days from its due date, the policy lapsed and could only be revived by the assured making proof, to the satisfaction of the company, that he was in good health at the time when he offered the payment of the premium. The premium was received, the company said, on Oct. 19, 1918, but was not accepted as a payment. It was held in suspense until such time as the assured would comply with the terms of the policy, namely, give satisfactory proof as to his health, which he never did. It was said that as a matter of fact, the assured at the time of the payment of the sum of $11.25 to the company was dangerously ill, and died of influenza in the hospital a few days later. The policy, the company concluded, was not in force, and effect, but had lapsed on the date of Lewis' death.

Was it a Waiver?

Plaintiff met this plea by the averment that the receipt of the money and its retention by the defendant from Oct. 19, 1918, to Oct. 23 of the same year, operated as a waiver of any clause of forfeiture.

Mr. Justice Greenshields, in maintaining the plea of the defence and dismissing plaintiff's action, said the facts of the case presented no difficulty. When the half-yearly premium became due on September 1 last it was not paid and the company heard nothing from the assured until about Oct. 19.

How Money Was Paid

"The exact date," the Judge observed, "is not established. A brother of the assured—there is no doubt that the assured himself was then very ill—offered the premium to a Mrs. James, agent of the company. She refused to accept it, knowing of the illness of the assured; she advised the brother to communicate directly with the company. Apparently he did this, although the proof is not clear, but in any event, a post office order was purchased by someone for the sum of $11.25, and was sent to the company, and was received on October 19. The post office order was deposited by the defendant in its bank, and the proceeds went to the credit of the company. No receipt or acknowledgment of the amount was issued or delivered by the company defendant to the assured or to any one. The amount of the premium was entered in an account kept by the company known as the "suspense revival account," which, it was stated by the officers of the defendant, means that it was held in suspense, and no receipt issued until the assured had complied with the conditions of the policy, and made proof of his health. The 19th of October was a Saturday. An officer of the company gave to one of the employees a form to be filled out by the assured respecting the state of his health. This employee endeavored to reach the assured, but found he was in hospital dangerously ill with Spanish influenza, which is established to be a dangerous and contagious disease. He never reached the assured. On Tuesday, October 22, the assured died, and on the 23rd the defendant company returned the money by means of a cheque to the assured, and which the plaintiff in turn sent back to the defendant, and refused to accept the same. Defendant now puts the amount in court with its defence.

No Element of Waiver

"Upon these facts the plaintiff submits that there was a waiver of the condition of the policy, and that the plaintiff is entitled to recover. It would be difficult, in my opinion, to find the elements that would go to make up a waiver of the defendant's rights in the manner in which it acted, as established by the proof. The company defendant was not desirous of cancelling the policy. It was presumably in the interest of the assured, who had already paid one-half year's premium, that the policy issued be kept alive. The defendant received through the post a premium. It was unaccompanied by any indication as to the health of the assured. As a matter of fact the assured was on the 19th of October suffering from a disease which ultimately caused his death. The defendant held the money in the manner I have stated, and immediately proceeded to endeavor to secure from the assured the fulfilment of the condition in the policy. The defendant was frustrated in its endeavors by the dangerous illness of the assured, and at no time from the 19th of October until the death of the assured could the defendant secure from the assured the fulfilment of the condition of the policy, and at no time from the 19th of October until the 22nd of October could the assured have furnished the proof required by the condition of the policy.

"I do not wish to be understood as holding that the receipt of the premium after due date may not under certain circumstances constitute a waiver; but I do hold that in the present case the proof does not justify the application of the doctrine of waiver as applied to insurance policies. I am forced, in consequence, to dismiss the plaintiff's action, with costs."

EACH RISK ON ITS OWN MERITS

Aviation Insurance Now Being Written in Canada, Risks Being Taken by Lloyds

A Montreal firm of insurance brokers announce that they are prepared to arrange for policies for aviation purposes. It is understood that the risks will be taken by Lloyds, and that the situation in respect to any Canadian company taking up this business so far remains as stated in the FINANCIAL POST some weeks ago.

Inquiry shows that this line of insurance, in so far at least as policies taken out in Canada are concerned, cannot have a definite rate fixed until such time as a number of policies have been carried and some sort of experience has been established on which the companies could build rates intelligently. At the present time if an aviator came for a policy the company would have to be informed as to his experience, the machine he would handle, the places where he would fly, the distances, etc. He would be quoted, finally, a rate that would apply to his particular case alone. The next man who applied might be called on to pay much more or much less. In the case of a passenger a number of facts would have to be submitted, much of the information required being outside of the knowledge of the average passenger himself, who might want to take a flight for the "fun" of it, for instance, between Toronto and Hamilton. The main point would be, who was to drive him, this man's experience, and the character of the aeroplane he would use. The passenger himself would be the least important element in the case. All this would cause a good deal of delay, and under the circumstances there could be nothing of a rush order carried out by the insurance brokers.

Gradually, it is expected by insurance men, the new method of navigation will become so universal that a company can accept a risk and name the cost in a minute or two, such as is done in the case of automobile insurance to-day. An insurance man in talking to the FINANCIAL POST, of aviation risks, recalled the fact that when the insurance policies were written first on automobiles, each case was considered by itself; the car, the man's skill in driving, etc. Then the amount of the premium was fixed for this man alone, while the next to offer might pay an altogether different premium. To-day, of course, a valuable experience has been secured, so that companies in the main know what they are doing, and the risks they are running in each line, whether it be fire or theft, collision, property damage, etc. Even yet, as was pointed out some time ago, the experience in the case of automobile insurance is considered as inadequate, and a special effort is being made to obtain information from every company doing business in Canada in order that next year a more equitable schedule of rates may be brought into effect. For it has been found that in one or two cases the present charges are lower than they should be. This condition, very much magnified, obtains in the case of aviation insurance to-day in Canada.

American Locomotive Co. concluded Monday what will probably prove the most profitable year in its history. Earnings for the fiscal period are estimated at a minimum of $40 a share on the common stock, compared with $36.08 a share earned in the 1915-1916 year, the previous record.

"FLU" AND WAR SET NEW HIGHS FOR INSURANCE

Life Companies Report Big Increase for Half Year

STRONG WARNINGS

Resulting From the Epidemic Still Influencing Young Men — Business Conditions Help Larger Premiums

Life insurance companies report largely increased business for the first six months of the year, in some cases running as high as 50 per cent. advance in insurance applied for over the corresponding period of last year.

Several well marked reasons are believed to be responsible for this by insurance men who were spoken to by THE FINANCIAL POST this week. Among these s the fact that the large number of claims that were met by the insurance companies through deaths in the war brought home the value of life insurance to many who were indifferent to it before. While increased premiums were required of those who took out insurance after they enlisted or previous to enlistment, the great majority, particularly those who went over early in the war, carried insurance on which war premiums were not required, as the policies were taken out before war was declared. In this way the benefit of the insurance accrued to those that they left behind them without any heavy extra premiums being required.

It is the general belief also that the influenza epidemic of October, November and December, continuing on into this year, has had a very marked effect on the writing of life insurance since that time. The point that emphasized itself during the epidemic was that the young, strong, and vigorous were struck down; men who were not weakened by illness but apparently in the best of health. The results of this epidemic have had a very strong influence, particularly among young men between the ages of 20 and 30, in taking out life insurance this year. Indeed it has helped the argument of life insurance men that no one knows at what time one may be "called." The insurance companies report that the majority of cases of those whose policies were paid through the effects of influenza had not been carrying them for more than five years.

Post-War Conditions

The ending of the war also has influenced the writing of insurance. It does not always follow that brisk business conditions carry with them corresponding improvements in insurance business. Sometimes it is the other way. When there is unemployment some men are led to take out insurance owing to the fact that their regular means of earning for their family has been cut off or the difficulty of getting employment suggests to them that their regular wage may not be assured and that some form of life insurance is necessary for them in order to provide for their families. However, in such cases it is natural that a cheaper form of life policy should be taken out on account of the inability of these to carry the heavier premiums of the endowment or 20-year life policies, the three that are the most popular ones to-day. The improvement in business results in a better class of policy being taken up. It follows also that insurance companies have been more successful in writing up partnership insurance than they have before, although they are not making the headway that was expected.

On the whole, however, business is coming along remarkably well, and all previous records amongst the majority of Canadian companies seem certain to be far surpassed by the end of the year.

AUTOMOBILE RISKS

Not Affected by the Heavy Traffic During the Strike

Accident insurance companies state that they have not been appreciably affected by the hazards of jitney traffic during the progress of the Toronto street-car strike. There have been an increasing number of minor accidents but serious accidents have been relatively few. In any case it is pointed out that the majority of the motors running as jitneys are insured merely as private cars, and that when they are run by their owners as public conveyances, they are not covered by their ordinary accident policies. There has been no increase in the premium on automobile risks.

Montreal Tramways and Power Company
Limited
6½% Secured Gold Bonds To Yield
6¼%
Particulars on request
Green, Henderson & Co.
Sun Life Bldg. 60 Victoria St. Toronto, Canada

ASSESSMENT
CANADIAN ORDER OF CHOSEN FRIENDS
HEAD OFFICE: HAMILTON, CANADA

The Order furnishes life insurance to members in accordance with the Standard of the Government of Ontario. Sick and funeral benefits are also given if desired.

No charters are granted to Local Councils outside of Canada. Being confined to this healthful Northern Zone, the death rate is small and rates proportionately low. The Order has already paid over five million dollars in death and disability claims, and over five hundred thousand dollars in sick and funeral benefits.

Over 600 Councils in Canada. If there is not one in your locality there should be. For full information write to any of the following officers:

J. L. Davidson, Grand Councillor. W. F. Montague, Grand Recorder
W. F. Campbell, Grand Organizer. J. H. Bell, M. D., Grand Medical Ex.
HAMILTON - ONTARIO

British America Assurance Co.
Fire, Marine, Hail and Automobile Insurance.
HEAD OFFICE - - LONDON
BOARD OF DIRECTORS: W. B. Meikle, President and General Manager; Sir John Aird, Robert Bickerdike (Montreal), Lt.-Col. Henry Brock, Alfred Cooper (London, Eng.), H. C. Cox, John H. Fulton (New York), D. B. Hanna, E. Hay, John Hoskin, K.C., LL.D., Z. A. Lash, K.C., LL.D., Geo. A. Morrow, O.B.E., Lt.-Col. the Hon. Frederic Nicholls, Brig.-Gen. Sir Henry Pellatt, C.V.O., E. R. Wood.
Assets over - $4,000,000.00
Losses paid since organization, over - $45,000,000.00

Western Assurance Company
Fire, Marine, Automobile, Explosion, Riots, Civil Commotions and Strikes. Insurance.
Incorporated 1851
HEAD OFFICE, TORONTO, ONT.
Assets over - $7,000,000.00
Losses paid since organization over - $74,000,000.00
BOARD OF DIRECTORS: W. B. Meikle, President; Sir John Aird, Robert Bickerdike (Montreal), Lt.-Col. Henry Brock, Alfred Cooper (London, Eng.), H. C. Cox, John H. Fulton (New York), D. B. Hanna, E. Hay John Hoskin, K.C., LL.D., Z. A. Lash K.C., LL.D., Geo. A. Morrow, O.B.E. Lt.-Col. the Hon Frederic Nicholls, Brig.-Gen. Sir Henry Pellatt, C.V.O., E. R. Wood.

5% AND ABSOLUTE SECURITY
Over 200 Corporations, Societies, Trustees, or Individuals have found our Debentures an attractive investment. Terms one to five years.
The Empire Loan Company
Winnipeg, Man.

For the well groomed man
TEXEND BRACES
Finer than the imported
The Dominion Suspender Co.
Limited
NIAGARA FALLS, ONT.

SOLICITORS
TORONTO
BLAKE, LASH, ANGLIN & CASSEL
Barristers, Solicitors, Etc.
Canadian Bank of Commerce Building, Toronto
Cable Address: Blakes, Toronto.
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CHARTERED ACCOUNTANTS
EDMONTON, ALTA.
Baldwin, Dow & Bowman, Jackson Block.

Milton Hersey Company
Limited
Industrial Chemists, Consulting Engineers and Inspectors
Testing and Inspection of all Materials
Mining Engineering and Mine Management
Specialists in Paving Engineering and Testing of all Building Materials
MONTREAL WINNIPEG

HALIFAX AGAIN SCENE OF MUCH BUILDING WORK

After the Strike in Building Trades Activity Resumed

SHIPYARDS PLANT

Work Progressing Towards Completion on the Big Plant of the Halifax Shipyards

HALIFAX.—With the termination of the strike among the building trades, construction work is again proceeding apace, especially in the north end. Building is actively in progress at the Halifax Shipyards. The 210 foot concrete smoke-stack is up and capped, the third storey of the office and shop building is well advanced, and the roof of the steel-framed fabric building is being completed. Machinery is arriving daily and being installed as rapidly as possible. The reclamation of ground along the waterfront continues.

There is quite a lot of house construction going on now on the southern section of the Richmond slope towards the harbor front, but not much so far on the northern section. A number of houses just north of the Wellington Barracks have been framed and are now boarded in.

The Fort Needham hill top lies between live scenes of bustle and activity, for in the hydrastone relief village to the west of the heights things are humming and dwellings are being hustled along in all their stages, from excavation to finish. On one new street there, which will be one of the prettiest of the whole city, concrete sidewalks, curbs and gutters are now being laid and will be finished in about a week. Likewise things are being hustled along on the new houses of wooden construction in the vicinity. Gottingen street, north of W. I. Hubley and Co's., is being widened or diverted about thirty feet to bring the level down to that of the same street further south. When that is done the tram line is to be extended through the district.

SITES FOR SCHOOL

Three Locations Being Considered for Calgary Normal School

Three sites in Calgary are being considered by the Provincial Government for the location of the new Normal School and Institute o Technology. The first site belongs to Mrs. McArthur and is eight acres in extent, adjoining First Street West. The second site belongs to E. H. Riley and is directly north of Riley Park. It consists of 108 acres, for which a price of $65,100 is asked. The third is the Jackson site, adjacent to the Municipal golf course.

KING STREET CHANGES

Buildings Proposed or Under Way in Toronto's Financial District

There is no definite announcement as yet regarding the rumored plan of the Imperial Bank to erect a skyscraper at the northwest corner of King and Yonge Streets, in Toronto. Bank officials continue to adopt a reticent attitude.

It is expected that the Merchants Bank will proceed with the erection of their proposed building at 12 King Street West some time this Fall.

The Huron and Erie Mortgage Corporation, which recently acquired the building at 14 King Street East, are proceeding with its renovation and expect to have the premises ready for occupation by about Sept. 1.

The only other building activity on King Street is at 60 King Street West where the Bankers' Bond Co. is erecting a building to house their business.

Seventy modern storey and a half brick dwellings, to be sold at prices running from $3,000 to $3,500, will be built on a block of land near Dundas Street in East London by a Montreal syndicate.

Building permits for June, 1919, in Kitchener were valued at $145,950, compared with $5,050 in June of the previous year. For the six months, 1919 permits amounted to $394,320, while for the same period of 1918, the value was $66,315.

Earnings of the Sloss-Sheffield Steel & Iron Co. for the half year ended June 30 will be sufficient to meet the dividends for the six months on both classes of stock, with some balance over.

There has been a big expansion during the past five years in the ownership of shares in the United States Rubber Co., holders of common stock having grown from 1,792 in 1914 to more than 4,000, while the first preferred has gone into over 15,000 hands, against 10,000 five years ago.

Stockholders of the B. F. Goodrich Co. have authorized an increase in the capital stock of the company from $84,600,000 to $109,600,000, the additional $25,000,000 to consist of 7 per cent. cumulative preferred stock of the same characteristics as the present preferred stock.

CANADIAN STOCKS

Quotations of listed Securities on the Montreal and Toronto Stock Exchange, with prices at closing on July 3 In stocks listed on both Exchanges prices quoted are those of the market in which a stock is the more active (Reserve Funds, Profit and Loss, include all Reserves except "Depreciation.")

BANKS

Capital Stock Outstanding	Reserve Fund	Profit and Loss	Net Earnings % 1917-18	Dividends 1915	Dividends 1916	Dividends 1917-18	Last Dividend Date 1918-19	Last Dividend Rate	Yield to June 26	BANKS	Range 1916 High	Range 1916 Low	Range 1917 High	Range 1917 Low	Range 1918 High	Range 1918 Low	Range 1919 to June 26 High	Date	Low	Date	Close July 6 1918 Ask	Close July 6 1918 Bid	Close July 3 Ask	Close July 3 Bid	Week ending July 3 High	Low	Close	Sales
4,866,666	3,017,333	428,844	13 70	7	7	8				British North America	112	110	112	112	165	112												
15,000,000	15,000,000	1,444,842	19 00	10+2	10+2	10+2	1st June	3	5.88	Commerce	203	183	188	182½	202	183¼	215	Jan. 9	201	Jan. 2			204½	203½	205	204	204½	98
6,000,000	7,000,000	446,503	18 10	12	12	12	1st July	q. 3	6.00	Dominion	220	204	212½	202	209⅛	199	219	Jan. 20	199¾	June 26	202		205	203	205	201	205	25
3,000,000	3,500,000	85,114	19 02	12	12	12	1st June	q. 3	6.52	Hamilton	197	246¾	192	184	188⅛	184	209	Jan. 15	181½	May 27			184		184	183¾	183¾	12
4,000,000	3,800,000	62,959	14 87	9	9	9	1st June	q. 2¼	5.73	Hochelaga	149	145	145	140	143	140	157	June 24	147	Jan. 13								
7,000,000	7,500,000	865,459	17 81	12	12	12	1st May	q. 3	6 00	Imperial	203	180	200½	185	202½	185	210	Jan 20	197	May 27		186	200		200	200	200	57
1,946,806	300,000	145,238	11 15	7	5	5	1st June	q. 1¼	6 32	Home Bank																		
7,000,000	7,000,000	574,043	19 75	10	10	11¼	1st May	q. 2¾	5.55	Merchants	180	150	170	167	180	169	202½	Apr. 25	180	Jan. 2	167		198	197½	199	197½	197½	68
4,000 000	4,800,000	248,029	17 80	11	11	11	1st July	q. 3	6 18	Molsons	195	182	186	179½	179⅞	179⅞	200	Jan. 17	179½	Jan. 3					195	194	195	9
16,000 000	16,000,000	1,901,613	16 01	10+2	10+2	10+2	1st June	q. 3	5 52	Montreal	240½	219	234	210	218½	210	225	Apr 24	210	Mar. 20	210		215		217	217	217	24
2,000,000	2 200,000	48,699	26 67	8	8	9	1st May	q. 2¼	6.08	Nationale	134	134	149	134	148	148												
6,500,000	12,000,000	749,694	21 70	14	14	14	1st July	q. 4	5.81	Nova Scotia	261	254	257½	248½	251½	248	277	June 10	255	Jan. 4	248				275	275	275	8
4,000,000	4,750,000	199 853	16 12	12	12	12	1st May	q. 2	5.76	Ottawa	204	202	202	200	206	201	208	Feb. 1	203	Jan. 4								
14,000,000	15,000,000	535,757	20 06	12	12	12	1st June	q. 3	5 55	Royal	221¼	210	214	208	215	205	216	Apr. 28	205	Feb. 17	208			215¼	216	215¼	216	65
3,500,000	4 500,000	227,326	19 91	13	13	13	1st May	q. 3¼	6.07	Standard	221	211¼	215	200	208⅜	200	215	Jan. 13	204⅜	Apr. 25	200			214½				
1,223 341	400,000	40,909	17 50	6	6	6	15th May	q. 1½	6.59	Sterling																		
5,000,000	6,000,000	625,623	16 90	11	11	11	1st June	q. 3	6.00	Toronto	215½	190	192	187½	193½	184½	205	Feb. 4	193	Jan. 6			199	198	199½	198	198	57
5,000,000	3,600,000	126,298	15 48	8+1	8+1	8+1	1st June	q. 2½	6.21	Union	140	132	142	135	162	137	171	Jan. 7	157½	Feb. 20		150		160	162	162	162	20

TRANSPORTATION—RAILWAYS, NAVIGATION AND STREET CARS

Outstanding Common Stock	Outstanding Preferred	Bonds and Debentures	Reserve Funds Profit and Loss	1916	1917	Last Dividend Date	Rate	Yield	Name	1916 High	1916 Low	1917 High	1917 Low	1918 High	1918 Low	1919 High	Date	Low	Date	July 6 1918 Ask	Bid	July 3 Ask	Bid	Week High	Low	Close	Sales
27,450 000		50,867,325							Barcelona, T. L. and P.	17	19	17	8	15¼	8¾	13¼	Jan 10	9¼	Mar. 15	9½	9½	10	9¾	10	9⅞	9⅞	90
196,417,800		7,500,000	5,190,986	4	1	1st Mar. 17	q.1		Brazilian Traction L. and P.	62⅝	43	47¾	31¾	40	32	60	June 2	50	Feb. 4	34¾	34¼	58¾	58½	59¾	58¾	58⅞	872
	10,000,000			6	6	1st July	q. 1½		Brazilian Traction, Pref.																		
12,000,000		6,684,206	5,009,630			16th June	q. 1	8.00	Canada Steamships Lines, Com	45	16	45⅝	29¾	51	39¼	52¾	May 20	41½	Feb. 2	40¾	40¼	50	49	50	49½	50	712
	12,500,000			5¾	19.83	1st July	q 1¾	8.33	" " " Pref	95½	89¾	93¾	71	80	72⅛	87½	June 2	77	Feb. 13	74½	74¾	85	84	84⅛	83¼	84	695
260,000,000	80,681,921	271,934,882	233,990,716	10	10	1st July	q. 2½	5.98	Canadian Pacific Railway	182½	163¾	167½	127¾	185	137¾	171¾	May 6	160	Jan. 9		150						
15,000,000		35,326,500	7,978,243	6¾	7¾	1st June	q. 2	7.47	Detroit United	128½	69	128	104¾			110	May 13	94	May 10			107½	106½	108	107	107	550
3,500,000	1,500,000	3,500,000	576,002		2	2nd Jan.	s. 1	6.45	Duluth Superior Traction Co., Com	49	37	51	40	42	41	32	Apr. 16	28	Feb. 21			30	28	28	28	28	25
12,331,000		4 562,000	1,060,346	3	3				Illinois Traction, Com																		
	7,289,500			6	6	1st July	q. 1½	7.50	Illinois Traction, Preferred	91	87¾	89	79	80	80	80	Feb. 1										
20,000,000		16,381 333				1st Nov.'13	q. 1¾		Mexico Tramways Co																		
25,206,800	12,603,400	87,369,600	19,911,878	7	7	15th Oct.	s. 3½		Minn., St. P. and S.S.M., com																		
3,394,300		35,608,153	1,256,449	10	10	2nd July	q. 2½	8.69	Montreal Tramways			181	144	150	150	114¾	June 4										
9,000,000	4 465,500	14,075,000	2,428 908	5	5	15th Sept.	q. 1¼	6.84	Northern Ohio Traction																		
3,000,000		3,931,666	173,084			1st Oct. '14	p. 1		Porto Rico Railways Co., Com	49½	30	42	30	37	25¼	35	Feb. 8	25	June 6			30		25	25	25	5
	1,000,000			7	7	1st July	q 1¾	8.75	" " " " Pref	30		80	80														
9,999,500		10,797,000	684,572			15th Jan.'12	q. 1 p		Quebec Railway L., Heat & P. Co.	45	14	35½	14¾	22½	15	22	Mar. 8	16½	Feb. 19	20½	19½		19¾	20⅛	20	20	865
12,000,000		3,730,253	6,675,017	8	8	2nd Jan.	q 1		Toronto Railway	111	72	90½	58½	63	58	55	Jan. 4	39	June 14	60	58		48⅞	49	47¾	48¼	295
22,000,000	3,000,000	20,263,000	1,285,804	6	6	2nd Jan.	q 1	8.00	Twin City, common	101	93⅜	95	63	65⅛	39½	58	June 4	39	Jan. 2	40½	39½	55	54	55	53	55	135
9,000,000		10,130,000	1,502,068			1st Jan.'16	q. 2¼		Winnipeg Electric	110	90	81	36	48	48	49	Mar. 3	35	Jan. 16			51	47½	45	44	45	48

TELEGRAPH, LIGHT AND POWER UTILITIES

Outstanding Common Stock	Outstanding Preferred	Bonds and Debentures	Reserve Funds Profit and Loss	1916	1917	Last Dividend Date	Rate	Yield	Name	1916 High	1916 Low	1917 High	1917 Low	1918 High	1918 Low	1919 High	Date	Low	Date	July 6 1918 Ask	Bid	July 3 Ask	Bid	Week High	Low	Close	Sales
18,000,000		14,149,000	2,286,556	8	8	15th Apr.	q. 2	6.72	Bell Telephone	152	140	150	129	132½	128	133	May 19	114	June 7	130			119	120	119	120	70
5,360,700				10	10	1st July	q. 2½	6.62	Consumers Gas	176	160	165½	147	153	144½	152	Feb. 14	147½	June 17		144½		148	151½	151	151½	115
1.900,000		2,999,813	177.747						Calgary Power																		
41.380,400			1,924,151	5	1½	1st July	q. 1½	7.67	Mackay, common	69¼	64½	90	70¾	79¾	72½	82	May 12	71½	Jan. 23	76	75	79	78	79	78¼	78¼	113
	50,000,000			4	4	1st July	q. 1	5.97	" preferred	15	15	68	59	65⅞	56⅛	68	June 6	64¼	Jan 28	65	64¾	67	66½	66½	66½	66½	10
13.585,000	6.000,000	21,073,833	318 522			30th Dec.'13th	q.1		Mexican Light and Power Co., com					20	18	18	June 6										
63.965.800			1,585,313		4	15th May	q. 1	4.49	Montreal L., H, and Power Cons			82⅞	67½	88⅛	68¼	93	Mar. 26	84½	Feb. [illegible]	75⅛	75	90	89	89⅛	88½	89⅛	682
3,499,120		1,275,000	884,525	6	6	1st July	q. 1½	7.22	Ottawa, Light, Heat and Power Co.	95¾	92	92	69¾	86	69	82¾	June 10	75	Jan. 18		83						
15,000,000		12 8 8,761	2 992 348	7	7	10th Apr.	q. 1¾	5.69	Shawinigan Water and Power Co.	137	126¾	130½	107	118½	105	127½	May 8	114½	Jan. 13	111½	111¼	122	121	122¼	121½	122	449

INDUSTRIALS AND MISCELLANEOUS

Outstanding Common Stock	Outstanding Preferred	Bonds and Debentures	Reserve Funds Profit and Loss	1916	1917	Last Dividend Date	Rate	Yield	Name	1916 High	1916 Low	1917 High	1917 Low	1918 High	1918 Low	1919 High	Date	Low	Date	July 6 1918 Ask	Bid	July 3 Ask	Bid	Week High	Low	Close	Sales
5,000,000	1,000,000	5.953,200	632,047	1¾	7	1st July	1¾	8.75	Abitibi Power and Paper, com			58½	48	51½	48	80	May 21	48	Jan. 3				81	82	81	81¼	260
6,514,000	7,895.200		525,402						Amer. Cyanamid, com			30	19	35⅞	21												
3,500.000		1.562,666	507,408						Ames Holden McCready Co., com	35	19½	23½	12	28	15	53	June 24	26	Jan. 3				47	49	47	47	1,890
	2.500,000					2nd July	q. 1¾		" " pref	80½	52	61	47	72½	47	96	June 25	65⅜	Jan. 2			94		94½	90	93½	3,745
4,265 600				4	4	21st Feb.	q. 1¼	9.25	British Col. Fish, com			56	35	51½	41	54¾	June 6	46	Mar. 15			54	53	53½	53	53	110
7,000,000	2,000,000	1,452,000	607.100		5	7th May	1¼	7.93	Brompton Pulp and Paper, com			59	38	63¾	41¾	65⅛	June 5	55	Apr 30				63½	65	63	63½	4,505
750,000			721.391	6	6	1st July	q. 2	8.69	F. N. Burt Company, com	88	72	82	65	75	63⅜	92	May 10	71	Jan. 13				90⅛	94	90	94	21
	1,975.200			7	7	1st July	q. 1¾	7.44	" " " pref	96	86	93½	86	90	77⅞	95⅛	Mar. 15	90	Jan. 22			95	93½	94	94	94	48
2,500,000		3,750,000	153,523		2	2nd Jan. '17,	2		Canada Bread, com	30	16½	20	13	24⅛	16	23⅛	Jan. 11	18	Feb. 11	19¼	18¼						
	1,250,000			7	7	1st July	q. 1¾	8.53	" " pref	90	87	86½	80	83¾	83¼	85	Jan. 18	82	Apr. 29					82	82	82	12
13,500,000		6.839,046	4.002,643	4½	6	16th Apr.	q. 1½	8.57	Canada Cement, com	73	37¾	69⅞	52	69¾	56½	71	Mar. 4	63	Feb. 6	61	60	68¼	68	70	68	68	1,116
	10.500,000			7	7	16th May	q. 1¾	6.93	" " pref	9	86	95¾	90	96	90	101¾	June 6	95	Jan. 2	93	91			101½	100	100	170
4,975.000		5.222,593	5,830.171			2nd June '14	s. 2		Canadian Car and Foundry, com	75	32	46½	17	38¼	18	35	June 26	28	Jan. 2	30		39½	39	47½	35	40	9,110
	7,500,000					10th Apr.	q. 1¾	7.52	" " " pref	94	1¾	89	49	91	49½	93	June 24	82	Jan. 23	73½		96½	95⅛	99	93½	95½	1,735
1,733,500		399,000	541,711		3	15th May	q. 1¼	8.77	Canadian Converters	46	34	43	39	50	43	58	June 7	45	Feb. 6			56½	56	56¼	56¼	56¼	45
2,715,500		4,688,000	1,948.109	3	4	4th July	q. 1½	7.40	Canadian Cottons, Limited com	65	39	56	46½	70	48½	90	May 10	67	Feb. 20	62½							
	1,661,500			6	6	4th July	q. 1½	7.22	Canadian Cottons, Limited, pref	82½	75½	82	75	77	71	87¾	Apr. 22	76	Jan. 10								
600 000	31,500,000		1.762.537	3	9	15th Jan.	s. 3		Canadian Fairbanks-Morse, pref.																		
960,000		179,200	1 297,706	10+9	12+3	15th May	q. 3	6.44	Canadian Foundries & Forgings, co	217	170	205	150	213	150	200	Feb. 18	185	June 25				190	187	185½	185½	50
	960,000			7	7	15th May	q. 1¾	7.21	" " pref	90	85	84	82	97	90	89½	Feb. 13										
1 ,00,000		1.500,000	1,657,324		3	1st July	q. 1½	7.77	Canadian Locomotive Co., com	64½	51	64	52½	69⅛	58	80	June 18	60	Feb. 20			77	75½	76	76	76	170
	1,500,000			7	7	1st July	q. 1¾	7.44	" " " pref	99	81	91½	83	90½	83	94	June 4	89½	Apr. 8		84½						
2,805,500		9.500,000	4,305,934			15th Oct. '14			Can. Consolidated Rubber, com	91	84	99¾	90	100	98												
	3,000,000			7	7	30th June	q. 1¾	7 14	" " " pref	97	91	99½	95	98	97	98	Jan. 16	97	Feb. 7								
8,000,000			5.122.776	8	8	1st July	q. 2	7.27	Canadian General Electric, com	121	108	115½	99½	106	99½	116	May 9	101½	Mar. 18	101½	100	112	109	112	112	112	17
	2,000,000			7	7	1st Apr.	s. 3½	6 36	" " " pref	112	110	106	94½	110	100												
1,200.000		465.500	573,116						Carriage Factories, Limited, com	44	29¾	25	9¼	17	15	15	May 13	13	June 6								
	1,200,800					15th July '15	q. 1¾	10.00	" " " pref	75	60																
565,000		55.114	159,507	4		1st Oct.'16	q. 2		City Dairy, com	98	89	30	30	50	30	62½	May 27	43	Jan. 28				60	60	60	60	19
	700,000			5¼		1st July	q. 1¾	7.44	" " pref	100½	92	70	60	87	60	94½	June 13	84	Feb. 18								
6 500,000			3,025,307	8+12	9½+2	15th May	q. 2	8.00	Dominion Bridge Co.	231½	160	170	125	128	123	123	Jan. 13	100	June 25	123				107½	107	107	85
796,300		1,279,410	1,472,[illegible]21			1st Apr.'14	q.		Dominion Canners, com	22	15	26	19	43	40	53	June 23	34	Mar. 14			52	51	52½	57½	57½	495
	2.290,600				7	1st July	q. 1¾	7.69	" " pref	65	61½	78	65	81	65	92	June 6	76	Jan. 10								
37,097,700	7,000,000	21.206,777	15,562,286		4½	1st July	q. 1½	8.95	Dominion Steel Corporation, com	82	43	71¼	50¾	65	53	68¼	June 5	58¾	Feb. 3	60⅜	60	69½	69⅜	69⅜	66¼	69⅜	18,716
	5,000,000	13.861.880		7	7	1st July	q. 1¾	7.21	Dominion Iron and Steel, pref.	105	90	95	87½	98	88	100	May 16	93½	Jan. 2	92½	91¼			99½	99	99½	129
15,000,000	3,000,000	6.162,000		7	7	1st May	q. 1¾	7.00	Dominion Coal, pref	99	93	96½	85	95	94¼	100	June 11	95	May 2	95							
5,000,000		3,267.500	2,189,194	6	7	1st July	q. 2	7.14	Dominion Textile, com	90½	74½	89	76½	100½	80¾	119½	May 19	100	Feb. 5	90	88½	114	113	114	112	114	219
	1,940,600			7	7	15th Apr.	q. 1¾	6.73	" " pref	105	101	105	99½	102	100	108	Mar. 14	101	Jan. 15			104	103½	102¼	102¼	102½	5
2,250,500		1,150,000	520.221						Goodwins, Limited, com	40	40			15	11	17	June 26	10	Feb. 5					23	20¼	23	140
	1,750,000					2nd July '14	q. 1¾	11.66	" " pref	75	40	45	45	45	45	65	May 17	45	Jan. 11								
747,560		210,000	1,360,336	6	6	2nd July	q. 1½	6.00	Goulds Manufacturing Co., com			100	100	100	100												
	747,500			7	7	2nd July	q. 1¾	7.00	" " pref			100	100	100	100												
6 267,005	500,000		1,009,017			2nd June	50c		International Petroleum			15.30	11.60	20.50	13.00	32.25	May 14	19.25	Jan. 8	14.75							
40,000,000		8,294,000	4,541						Lake Superior Corporation			24	10¼														
2,100 000		900,000	978,797	8	8	2nd June	q. 3	6.85	Lake of Woods Milling Co., com	136¼	122	130	120	169	120½	190	May 19	157	Mar. 26		132½			180	180	180	10
	1,500,000			7	7	2nd June	q. 1¾	6 60	" " " pref	129	116	116	116	110	100	106½	Jan. 16	106	Jan. 17								
9,600,000		620,615	2,425,548	8	10	2nd July	q. 3+3	5.42	Laurentide Co.	217½	176	195	152	198	152	228	June 23	192	Jan. 10	166	164½		220	221½	220	220	250
1,750,000	1,300,000	1,038,600	365,852		2	10th Apr.	2	10.38	Lyall Construction Co., com	93	25	80	53	85½	63	80	June 24	64	Apr. 2			80½		82	77	81	2,252
3,000,000	1,766,800		190,908			30th June '13			A. Macdonald Co. com.	19½	10	15½	8	23	13½	32¾	June 26	21½	Jan. 10			33½		34⅝	33¼	33½	2,707
2 500,000			2,072,508	9	22½	18th Apr.	q.2½+1	5.98	Maple Leaf Milling, com	122	100	115	90	140	91	169½	June 4	121¼	Jan. 30	102½	100	165	164	167	163½	164	352
	2,500,000			7	7	18th Apr.	q. 1¾	6.66	" " " pref	108	93	103	91¾	98½	91½	107	June 23	96¼	Jan. 8	95	93¼			107	106	106½	45
2,949,600		774,689	2,420,384	4	4	14th June	q. 1	5.97	Montreal Cottons, Ltd., com.	63	50	58½	49	61	50	72½	Apr. 8	58⅜	Jan. 9			70		68	68	68	95
	3,000,000			7	7	14th June	q. 1¾	6 79	" " " pref	115	99	103	99	100	99½	103	Mar. 15	100	Jan. 17								
1,275,000			527,504			1st Nov.'13	q. 1½		Monarch Knitting Co., com	40	25⅛	40	30	46	39	60	Mar. 12	50	Jan. 28								
	750,000			7	7	1st Feb.	q. 1¾	7.77	" " pref	83	80	81	80	80½	75	92	June 13	78	Jan. 6								
2,000,000			2.331,209						National Steel Car, com			21	5	10½	5	16	Feb. 27	5	Jan. 16								
	1,500,000			3½		15th Jan	q. 1¾	13.72	" " " pref			78	17	40	20	59	Mar. 19	18	Jan. 14								
15,000,000		11,169,619	4.616,584		5+20	15th Apr.	q. 1¼	5.68	Nova Scotia Steel, com	154½	93¼	128	66	71½	63½	97	June 2	48	Mar 5					85	81½	81½	10
	1,000,000			12	8	15th Apr.	q. 2	7.14	" " " pref.	115	110	112	105	103	100	112	June 6	104½	Mar. 21								
2,500,000		2,350,000	3,830,592	8+4	10½15	1st July	q. 3	4.70	Ogilvie Flour, com	152	127⅞	158	137	205	140	260	June 4	194	Mar. 11								
	2,000,000			7	7	2nd June	q. 1¾	6.48	" " pref	116	44½	115	107	111	100	110	Feb. 8	106	Jan. 13	110	100						
750,000		575,100	843,029						Ont. Steel Products, com	45	19	34	18	35	22½	35	May 26	27	Apr. 28			55		36¾	31½	35¼	1,490
	750,000			5½	7+1¼	15th May	q.1¾+½	9.33	" " " pref	91½	73	74	74	28	73	75	May 19										
650,000			38,026	2	2	1st July	s. 1	6.80	Pacific-Burt Co., com	29	20	40	28	34	34	30	Apr. 2	25	May 22								
	650,000			7	7	1st July	q. 1¾	8.86	" " pref	83¼	77½	82	79	77¼	77¼	80	June 5	75	Mar 8								
600,000			644,594	8+3	8+5	15th Mar.	4+2	7.75	Paton Manufacturing Co.			130	124	124	124												
2,150,600		2,000,000	3.350,167	4+1	4+1	15th Feb.	q. 1½	6.45	Penmans, Limited, com	78	60	73½	64	84	65	95	Apr. 24	77½	Jan. 4	75	73½						
	1,075,000			6	6	1st May	q. 1½	6.66	" " pref	90	82	86	81½	85¼	81½	93	Apr. 9	82¾	Feb. 5					91½	91½	91½	20
5,000,000		5,923 764	2,220,239	6	6	1st July	2	4.84	Price Bros	132	60½	134	115	151	120	190	Feb. 25	150	Jan. 10								
4,500,000		2,036,600	1,851,813	3½+1	6+4	15th May	q. 2½	8.06	Riordon Pulp and Paper, com	150	59	127	106	123	117¼	131	May 19	117¼	Jan. 2	119	118	127	128	126	126½	126½	80
	1,000,000			7	7	30th Jun	q. 1¾	7.14	" " " pref			95	90	97	92½	100	June 6	94	Jan. 4					98	98	98	26
1,500,000		502.000	273,647	6	3	1st Apr.'17	q. 1½		William A. Rogers, Ltd., com	99	85	80	40			55	May 16	25⅛	Mar. 28				49	50	50	50	
	1,122,800			7	7		q. 1¾		" " " pref	99	87	92	90			80½	May 13	65	Mar. 13								
800,000			536.162		7	1st Aug.	q. 1¾	8.53	Russell Motor Car, com	114	32	92	50	90⅞	55	82	May 13	68	Feb. 19								
	1,200,000				29¾	1st May	q. 1¾	7.77	" " " pref	139	66	122	72	91½	68¼	94½	May 15	70	Jan. 10	80	79¾						
1,500.000		574,500	129,711						Sawyer-Massey Co., com	30	20	24	8	13	10	20	June 13	8	Apr. 17			20		16	16	16	20
	1,500,000					2nd June '14	q. 1¾		" " pref	134½	58	41	40	40	40	55	June 14	30	Apr. 11								
4,000,000		1,838,500	2,333.282						Sherwin-Williams, com	99½	53½	60	56	60	60	66	May 22	60	Jan. 3								
	3,425,000			7	7	31st Mar.	q. 1¾	6.86	" " pref	100	97½	100	98	100	99	102	June 23	99	Jan. 6					100	100	100	3
8,750,000			395,100	6+1	6+2	1st July	q. 2	5.97	Shredded Wheat, com	140½	102¼	137¾	112	112	100	135	Apr. 15	124	Mar. 15								
	1,250,000			6	6	1st July	q. 1½	6.66	" " pref	120	95	95	95	92	87	90	Apr. 22	89	Jan. 13								
1,062,500		288,000	205,765		4				Smith Paper Mills, Com			74½	66	66	65	81	June 12	65	Feb. 27								
	475,000				7	15th Apr.	q. 1¾	7.36	" " " Pref					80	73¼	95	June 25	78	Feb. 28					95	95	95	9
8,000,000		10,332,113	1,071,301						Spanish River Pulp Mills, com	24¼	3½	19	12½	20	12¾	37½	June 26	17	Jan. 14	14½	14	42½	42¼	42½	37½	41¼	17,816
	5,699,100					15th July'13	q. 1¾		" " " pref	70	29	59¾	47	64¾	50	109¼	June 25	63½	Jan. 23			104	103½	110	101½	105	2,317
11,500,000		8,931,246	15,019,130	4	6	1st May	q. 1½	8.33	Steel Co. of Canada, com	88¼	34¼	71½	47½	74¼	49¼	73¾	June 24	57½	Feb. 1	66¼	65	74	73½	73⅝	72	73⅞	3,435
	6,496,300			10½	7	1st May	q. 1¾	7.14	" " " pref	107¼	82½	100½	84½	98	84	100¾	May 26	91½	Mar. 28	95	93	98½	98	99	98¼	99	171
1,250,000	3,602 700	1.066,945	311,577			1st June '14	3½		Standard Chemical, pfd					62	62¼												
1,220,000		167,155	251,154			1st May	1½+1	5,50	St. Lawrence Flour, com					97¾	50	113	June 2	87½	Mar. 12					109½	109½	109½	60
	575,000					1st May	1¾	7.21	" " pref			56	49	85	80	97	June 2	80	Feb 8								
650,000			149,379						Tooke Bros., com	25	16	19	19	30	15	43	June 25	20	Mar 11			45	42	43	42	42	125
	985,000			8¾	8¾	14th June	q. 1¾	8.13	" " pref	83	78	79	70	77	72¼	86	May 26	70	Feb. 4					86	85	86	300
750,000		500,000	254,089	5	6+4	2nd July	s. 3+1	8.00	Toronto Paper Co	96	44	90	72	72⅜	65	75	Apr. 1	68	Mar. 6								
2,500,000			337,933						Tuckett Tobacco, com	25	23½	22½	17	24¼	18½	40	May 19	22	Jan. 17								
	2,000,000			7		15th Apr.	q. 1¾	7.69	" " pref,	90	75	83½	78	82½	72¾	90¾	June 26	80	Jan 4								
1,750,000		901,000	580.347			2nd July	1½	7.05	Wabasso Cotton					61	21	88½	June 9	58	Jan. 2				85	85½	85⅛	85½	26
5,000,000		3,395,000	1,408,060						Wayagamack com			97	50	55	50	55	Jan. 2	46	June 2					47	47	47	5
1,718,600		440,000	1 091,439		7	2nd June	q. 1¾	7.36	Woods Manufacturing Co., Ltd. com.	65	33	61	44	98	57¼	102	May 16	86¼	Jan. 13			95	90½	95	95	95	50
	1,546,500			15¾	7	1st July	q. 1¾	8.04	" " pref	101	84	86	80	86	83½	90	Mar. 17	86	Mar. 14								

LOAN, INSURANCE AND FINANCIAL STOCKS AND MISCELLANEOUS

Common Stock outstanding	Deposits Preferred Stock or Debentures Outstanding and Int.	Reserve and Contingent P. & L.	Dividends 1917-18	Last Dividend Date	Last Dividend Per cent.	LOAN AND TRUST	Range for Year 1917 High	Low	Range for year 1918 High	Low	Latest Price Ask	Bid	Last Sale
1,205,000	* 3,847,080	1,337,989	9	1st July	q. 2½	Canada Landed	160	150	148¾	140	145½		148
6.000,000	19,626 287	5,672,509	10	1st July	q. 2½	Canada Permanent	173	162½	169½	162½	173	172	172¾
1,750,000	4.968.206	1,842,074	10	1st July	q. 2½	Central Canada					190		
20,000	2 981,290	427,213	6	1st July	s. 3	Col. Investment, pref.	77	63	69	63		71	70
934,876	1,032,651	271,556	5	2nd July	s. 2½	Dominion Savings			76	75		82	75
2,412,566	2,221,508	827,258	5	1st July	Def.	Great West Per							89½
1,200,000	2.091,322	1,228,340	8	2nd July	s. 4½	Hamilton Provident	142	137	133	121		146	
2,500,000	12.299,412	3,323,337	12	1st July	q. 1½	Huron and Erie	211	205	204	203			
1,000,000	1,597,848	886,732	8	2nd July	s. 4	Landed Banking	143	143	141	140		139	141
1,250,000	2,653,710	924,981	8	1st July	q. 2	London and Can. Loan	132	128½	126½	126½	123		118
887,849	1,664.356	362.385	6+1	1st July	q. 1¾	London Loan and Sav							
600,000	317.808	764,494	10+1	15th June	q.2½+1	Montreal L. & Mtg. Co.	165	162½	152				153½
1,500,000	7.892,179	1,662.183	10	1st July	q. 2½+1	National Trust	212	207½				198	200
1,750.000	3,749 473	2.093,943	9	1st July	q. 2¼	Ont. Loan and Deb	175	175				156	160
500,000	643 698	262.754	7	2nd July	s. 3½	Real Estate Loan					105		
1,500,000	34,589,757	2,152,812	10+1	1st July	q. 2½+1	Toronto Gen. Trusts	215	200	204	199¾		212	207½
724,550	1.773.183	659.449	8	1st July	q. 2	Toronto Mortgage Co	140	136	134			132	135
1,000,000	1.912,673	1,134.604	10	1st July	q. 2½	Toronto Savings							185
1,000,000	11,157.301	494,065	7	1st July	q. 2	Union Trust							178
,000,000	49,964,980	7 463,612	15	1st July	q. 2	Canada Life Assurance							190

Common Stock Outstanding	Bonds, Preferred Stock or D'b'ntures Outstanding	Reserve and Contingent P. & L.	Dividend 1917-18	Last Dividend Date	Last Dividend Per cent.	MISCELLANEOUS COMPANIES	Range for year 1917 High	Low	Range for Year 1918 High	Low	Latest Price Ask	Bid
3.000.000		1,395,591		15th Apr.	1¼	Asbestos Corporation, com.	21	12	45	15	75	74
	7,000,000		6	15th Apr	1¾	" " pref	58	42	62¾	44⅛		83½
1.500,000		1.888,183	9	1st Apr.	s. 4	Canadian N. Prairie Lands						
800,000	380,000	523,572	8	1st July	q. 2	Canadian Salt	136	128	132	126	135	
59,109		1,757,277	$5	23rd Dec.	$5	Can North-West Land						
100.000	11,234,281	1,969,045	20	30th June	q. 5	Confederation Life A.	330	330			375	
6,212.666		501,345		2nd June	q. 1½	Crows Nest Pass Coal	70	50	55	50		57
1,000,000		292,230	6	15th Apr.	q. 1½	Dominion Telegraph	89	76½				86
3,000,000	12,669,500					Electrical Dev., pref.						
450,000	b 7,072,085	1,991.255	10	1st Apr.	q. 2½	Imperial Life Assur						
500.000	460.400	785.511	7	1st July	s. 3½	Intercolonial Coal, pref					80	
3.000.000		133,458		1st Mar. '14	1	Intern. Coal and Coke			25	25		
2,196,951	1.922,500	652,429	7	15th May	q. 2	Kaministiquia Power			120	120	112	
637,480	b 585,937	136.566		2nd July '17	s. 3	London Street						
2,000,000		119,740	8+10cts	15th Apr	q. 2	Montreal Telegraph	138	115	120	120		120½
925,000	b1,123,000					Nia., St. Kath. and Tor.						
1 164,000	b 741,000	286,076	3½	10th July'15	q.1¾	Trinidad Electric						
2.340,100	b1,439,926	858,434	8+2	16th June	q. 2	W. Can. Flour Mills						
800,000	b 600.000	606,068	5	1st July	q. 1¼	West India Electric	77	77				

NOTE—s—means semi-annually; q—quarterly; I—interim; L—Profit and Loss; +—indicates bonus; b—means bond; P—preferred stock; d—debentures;*—less than ten shares; sb—stock bonus; A—$500 per share return of capital paid February 1st, September 16th, 1912; Feb. 1st and Nov. 17th, 1913, December 1, 1914.

EXPORT OUTLOOK IN CHINA AND THE FAR EAST

Permanent Development Will be in Pacific Trade, Says Dr. Ross

CHINA'S BUYING POWER

New Era of Development Will Follow Ending of War With a Demand for Machinery and Supplies

That while there was an opportunity for Canadian export trade in European countries in the immediate future, such business would, after all, prove of a temporary character and that the great natural export market for Canadian manufacturers was in China and the East, was submitted to a gathering of the members of the staffs of the various MacLean trade and business publications this week by Dr. J. W. Ross, Canadian Trade Commissioner to China. He predicted that within 25 years the nations of the world will be tumbling over one another in an effort to get Chinese business. Canadian products, he stated, will be given as favorable consideration as those of any other nation, but Canadian firms must be prepared to face keen British and American competition.

Now that the war was over, Mr. Ross declared that China was facing an era of new development. European nations were taking the great Eastern Empire in hand and the financing of transportation and industrial development was assured. This would mean a market for machinery and other supplies on a large scale. But as between this mark for construction and other machinery and supplies for public and Government works and the ordinary domestic market, he indicated that there was a distinct line. Fully eighty per cent. of the 400,000,000 of population made their living off the land. They worked for very low pay and their buying power was small. Thus it was only the more prosperous who were able to buy imported manufacturers and the larger demand was for cheaper articles.

Study Conditions

Mr. Ross urged all those who are contemplating doing business in China to make a close study not only of the requirements of the markets, but of the methods of doing business there. There is room, he said, for great improvement in methods and a splendid opening for any firm that will carry a stock from which the needs of the buying public can be quickly supplied. At present, he stated, a great deal of business is lost because dealers carry only small stocks, and if anyone comes in and asks for a quantity of goods they have to cable for them. Chinese firms, Mr. Ross stated, will take an agency for anything and many of them sell any number of different lines. If anyone specialized in hardware lines and put in a complete stock of the kind of goods that will sell in China, there was, he said, good business to be done. Many of the firms have been selling largely from catalogue, not even bothering to carry the stock. Mr. Ross stated, however, that the time for this kind of business is past.

Mr. Ross thought good results might come if Canadian firms were to go after business collectively, form combinations and send a representative to China, who would go into trade matters personally.

"Canadian firms," he said, "cannot expect to stay 10,000 miles away and dangle their goods at the Chinese and expect to get business, especially when the British and American firms are going keenly after it. This question has not been taken seriously enough. It is a big one and one which offers great possibilities. The European needs at best are going to be only temporary. In China is one of the greatest markets in the world, and it will be permanent. It is worth going after, and Canada should get her share of the business."

Goods in Demand

In addition to all kinds of construction machinery, railway supplies, etc., Mr. Ross mentioned that there was a market in metal lines for steel bars, corrugated sheets, stoves, plates, wire nails, locks, hinges, enameled ware, and nearly every class of hardware. In textiles there was a demand for cotton cloth in large quantities. In provisions there was a call for condensed milk, fruits and vegetables in tins, jams and preserves, canned salmon and meats and other household stores. There was also opening a very good demand for paper.

SPAIN AS A MARKET

Important Industrial Developments Following the War

LONDON.—Spain, a country of boundless resources which, however, have so far been only very inadequately exploited, is undoubtedly turning over a new leaf in this direction—a development which may be traced direct to the war—which in this case proved a beneficial influence. The finances of Spain have never been better than they are at present, and there are abundant funds that can be devoted to industrial expansion. Whether the comprehensive schemes of the Government will ever eventuate in anything like their entirety remains to be seen, but there is certainly a likelihood that both Spanish and imported capital will be brought to bear on a number of important projects, of which mining, water power, irrigation, municipal works, railways, and canals are the most outstanding. Manufacturing industries are also likely to show remarkable expansion. All such developments indicate a large increase in the imports of machinery and equipment, and in the result of great accretion of material wealth to the bulk of the population will inevitably make Spain a much larger market for manufacturing goods of all classes than it has been hitherto.

BANKRUPTCY ACT WILL HELP BUSINESS WORLD

New Measure Wipes Out Variety of Provincial Laws

CHEAPER, QUICKER

Advantages Also to Honest Man—Fees Limited—Landlords Three Months Only

HON. HUGH GUTHRIE, K.C.

Before Merchants' Association of Montreal.

The drawing up of a new Dominion Bankruptcy Act was due to the fact that for the past forty years there has been no proper Bankruptcy Act covering the whole Dominion. Russia and China, along with Canada, have no general Bankruptcy Acts, but all other civilized countries have. There has been no Dominion law since 1878, and in the interval the various provinces have passed insolvency laws, but the trouble was that these were not uniform. Men who did a national business experienced difficulty through the variety of insolvency laws, while exporters in Great Britain said they could not secure uniformity in their claims with the preferences and priorities that were allowed in the various provinces. The demand for a Dominion Act came from the Boards of Trade, the wholesale and retail houses, the Bankers' Association, and many other bodies all over the country.

Under the old Dominion Act, which lasted only for five years, the machinery for winding up an insolvent estate was very cumbersome and slow, the expense was too high, and the great difficulty was that the assignees were not a class of men that would make good trustees, and very often no dividend was declared on the estate. The matter of expense as well as lack of uniformity was one of the difficulties with the Provincial acts, and one instance was given us in the case of a British Columbia company, where an estate of $730,000 brought only $3,000 for distribution to the creditors.

The Act, as it is being passed by the Commons and Senate, provides for two kinds of bankruptcy:

1. A voluntary one, where any man may make an assignment to a trustee under the Act.

2. An involuntary one, where the man is placed in bankruptcy against his own will. This applies to all except wage earners with less than $1,500 a year, and to farmers, who cannot be put in bankruptcy against their will.

There was an effort made to limit the application to "traders," such as is the case in France, and was the case under the old Canadian Act, but experience has shown that this limitation should be dropped, and the Act in Great Britain applies even to farmers. The retail merchants declared that such a limitation would be unfair to them, and that there should be a very general application. They told us that doctors, lawyers, and professional men generally, preachers and university men, were the biggest debtors so far as they were concerned. Thus the Act was broadened. So far as the farmer was concerned it was argued that he might be the victim of hard luck one year; he might be hailed out, and if he were compelled to give up his farm and stock he would have no chance to right himself.

The Bill, as it went through the Commons, applied where indebtedness was $200 or over, but the Senate increased this to $500, and the Commons is passing this. Thus, where a man owes $500 and refuses to pay, he is liable under the Act.

Jurisdiction is vested in the Superior Court of each province, and only a few cases of appeal are allowed.

Trustee—anyone may apply to the Secretary of State for Canada, and the appointments are made by the Governor-General in Council. Many chartered accountants have already made applications, and these will be assigned to districts, but all property, no matter where it is located, will be vested in the trustee. Each one must give a permanent security for $10,000. In the case of an individual estate the creditors may compel him to give an added security for the value of the estate.

The Act provides whereby an honest debtor may receive a discharge where he has not been guilty of impropriety, where he has kept a proper set of books, where he has given up all his assets, and in fact has acted honestly, he is entitled to a discharge by a court which would be good against the world.

The Procedure

The petition is presented to a Court which will have it served on the debtor, and in eight days the judge appoints a trustee who takes charge, under the supervision of the creditors and inspectors. The trustee must report to the court, and his security is not given up until the whole case is discharged.

Payment to the Trustee

This trustee is given what the creditors choose, or is limited to an amount under the Act which will not exceed 5 per cent. of the assets that are in his hands.

Lawyers' fees are likewise limited by the Bill so that the estate will not be gobbled up. The inspectors are allowed only their disbursements. In the case of lawyers where an estate is over $5,000 they are allowed 5 per cent., where it is under $5,000 not more than 10 per cent., and only if the inspectors agree.

Frequent provisions are made against preferential settlements or cases where fraud exists. The clauses are based largely on the English Act, and vary greatly with Ontario and Quebec laws. Speaking generally, all cases of fraud or attempts to delay or any preference that is given one creditor over another are set aside, and if money has been paid it may be reclaimed. Everything has been done in order to assure that the full benefit of the assets may be divided share and share alike, without preference or priority.

In regard to joint stock companies, banks, railways, trust companies and insurance companies, for which there is special legislation, are excepted. One of the difficulties under the present Act dealing with stock companies is that it is difficult to settle the list of contributories. The new Act provides a very simple means: the trustee takes the books and settles the list of contributories. In the case, for instance, of John Brown, who has paid $60 each on his shares, he is called on to pay the remaining $40, and if he does not he can be sued in court within thirty days, and no new defence is allowed that was not submitted at first. This method is much more expeditious and less expensive than under the present procedure.

The priorities allowed are as follows:

1. Expenses of trustee as a first charge.

2. Costs in obtaining judgment are allowed to the first man who has secured execution against the company.

3. Three months' preference only to wage earners.

4. Taxes due to Provincial or Dominion Governments which are declared as a lien on the property and must be paid.

In Regards to Landlords

A change has been made in the law as it is in the Province of Quebec regarding landlords. As a result a criticism has been made that we are too hard on the landlords, while on the other hand the claim is made that they should rank as ordinary creditors. We have decided to allow the landlords three months' preference only on their claims. Again, the criticism is raised that as soon as the law takes effect you will see all rents payable in advance. But that is not a hardship, and, as a matter of fact, in New York this is the custom in force. If more than three months' rent are due the landlord he will be treated as an ordinary debtor and obtain his dividend with the rest.

The main objects that will be obtained by this Act thus, are:

1. It will grant uniformity in bankruptcy acts for all the Provinces.

2. The proceedings will be as speedy, as cheap, and as reliable as possible.

3. It will abolish preferential or priority creditor abuses.

4. It will provide for the honorable discharge of an honest bankrupt.

The whole Act will work out to the financial and commercial interests of Canada.

It may be six months or more before the Act is put into actual operation. The consensus of opinion is that a reasonable time should be allowed to pass before it comes into effect. Practice forms must be drawn up, rules of practice approved of, trustees chosen, etc., but in six or eight months the Bill will be proclaimed as law and come into force.

MAKE YOUR HOLIDAY GREAT LAKES CRUISE

The Grand Trunk lake and rail route between Eastern and Western Canada, embracing a wonderful cruise over those inland seas, Lakes Huron and Superior, is an ideal summer trip whether you are on business or pleasure bent The finest of ships, the "Noronic," "Harmonic" and "Huronic," are in this service and the Northern Navigation Company holds the highest of reputations for the excellence of the cuisine, luxury of appointments and facilities for recreation on these leviathians. Sarnia is the connecting point between the Grand Trunk Railway System and the Northern Navigation fleet, special steamboat train being operated on sailing dates from Toronto, Hamilton, Brantford, Woodstock, London and other points to ship-side. Sailings from Sarnia are on Mondays, Wednesdays and Saturdays. After evening dinner there is dancing in the big observation room under the chaperonage of the social hostess. Morning finds the steamship passing from Lake Huron through the fairyland of the St. Mary's River to Sault Ste. Marie, where gigantic locks lift the liner to the level of Lake Superior. Next morning it is Thunder Bay and Canada's twin cities, Port Arthur and Fort William, that are in view after the majesty of Lake Superior. A picnic at Kakabeka Falls—higher than Niagara—and the steamship sails for Duluth, the city built upon a mountain side and the western terminal of the lake route. Railway connections are made at Port Arthur, Fort William and Duluth for Winnipeg, where the trains of the Grand Trunk Pacific are ready to carry you to all points in Western Canada. For full information, fares, etc., apply to any Grand Trunk ticket agent or C. E. Horning, D.P.A., Toronto, Ont.

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